

**3/9/77**

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: 3/9/77;  
Container 10

To See Complete Finding Aid:

[http://www.jimmycarterlibrary.gov/library/findingaids/Staff\\_Secretary.pdf](http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf)

# WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
memo w/att	From Jack Watson to The President Re: weekly summaries from Ambassador Young (4 pp.) / attached to memo from Rick Hutcheson to V.P., Stu Eizenstat, et. al.	3/9/77	A
mmmmmmmm			
memo	Tim Kraft to the President, w/attachment, 5pp. RE; President's schedule for his visit to the CIA	3/9/77	B

## FILE LOCATION

Carter Presidential Papers, Staff Offices- Office of the Staff Sec.-Pres.  
Handwriting File 3/9/77 , Box 11

## RESTRICTION CODES

- (A) Closed by Executive Order 12356 governing access to national security information.
- (B) Closed by statute or by the agency which originated the document.
- (C) Closed in accordance with restrictions contained in the donor's deed of gift.

THE WHITE HOUSE

WASHINGTON

March 9, 1977

PHOTO SESSION WITH MAID OF COTTON 1977

Wednesday, March 9, 1977

11:55 a.m. (5 minutes)

The Oval Office

From: Frank Moore

I. PURPOSE

To show the President's support of agriculture and the cotton industry by meeting with the Maid of Cotton 1977

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

- A. Background: Each year the National Cotton Council of America selects a Maid of Cotton who serves as a good will ambassador for the cotton industry, traveling in the United States and abroad. The Maid of Cotton 1977, Miss Ellen Clark, is in Washington this week representing the cotton industry and meeting with Senators and Representatives. Every Maid of Cotton has been photographed with the President since Harry Truman first did so.
- B. Participants: Senator James Sasser (D-Tenn)  
Rep. Harold Ford (D-Tenn)  
Rep. Ed Jones (D-Tenn)  
Miss Ellen Clark, Maid of Cotton 1977  
Mr. Jack Stone, President of the  
National Cotton Council of America  
Mr. Earl Sears, Deputy Executive Vice  
President of the National Cotton  
Council of America
- C. Press Plan: White House Photo only

III. TALKING POINTS

Usual courtesies

Whole intelligence  
Community  
Coordination: effectiveness  
Trained professionals  
Don't repeat errors  
Observe foreign affairs,  
not participants

- Gate crash  
Nautical language  
"mess"

Revised:  
March 9, 1977  
8:15 a.m.

# THE PRESIDENT'S SCHEDULE

Wednesday - March 9, 1977

8:00	Dr. Zbigniew Brzezinski - The Oval Office.
8:15 (45 min.)	Meeting on Foreign Assistance. (Mr. Frank Moore). The Cabinet Room.
9:30	Mr. Jody Powell - The Oval Office.
10:00	Press Conference. (Mr. Jody Powell) - Room 450, Old Executive Office Building.
11:00	Mr. Hamilton Jordan - The Oval Office.
11:55	Ms. Ellen Clark, Maid of Cotton 1977, Senator James Sasser, Congressmen Ed Jones and Harold Ford - The Oval Office.
12:30	Lunch with Secretary Michael Blumenthal - Oval Office.
1:10	Depart South Grounds via Motorcade en route Central Intelligence Agency.
1:30 (60 min.)	CIA Briefing.
2:30	Swearing In Ceremony for Admiral Stansfield Turner as Director of the Central Intelligence Agency.
3:15	Return to the White House.
4:30	Meeting with His Excellency Pak Tong-chin, Minister of Foreign Affairs of the Republic of Korea. (Dr. Zbigniew Brzezinski) - The Oval Office.

Electrostatic Copy Made  
for Preservation Purposes

THE WHITE HOUSE

WASHINGTON

March 8, 1977

MEETING ON FOREIGN ASSISTANCE

Wednesday, March 9, 1977

8:15 a.m. - 9:00 a.m.

Cabinet Room

From: Frank Moore *FM*

PARTICIPANTS

The President  
The Vice President  
Secretary Vance  
Secretary Blumenthal  
John Gilligan  
Secretary Bergland  
J. Fred Bergsten  
Bob Hormatz  
Z. Brezezinski  
Frank Moore  
Dan Tate  
Rick Merrill

Senate  
Robert C. Byrd  
Hubert H. Humphrey  
Herman E. Talmadge  
John Sparkman  
Daniel K. Inouye  
John L. McClellan  
Clifford P. Case  
Milton R. Young

House of Representatives  
Thomas P. O'Neill, Jr.  
Clement J. Zablocki  
Henry S. Reuss  
Thomas S. Foley  
Clarence D. Long  
Michael Harrington  
William S. Broomfield  
J. William Stanton  
C. W. Bill Young  
George H. Mahon  
Elford A. Cederberg

TALKING POINTS ATTACHED

THE WHITE HOUSE  
WASHINGTON

Mr. President:

Attachment A - talking points

Attachment B - general info  
about US foreign  
aid program

Attachment C - Q&A on the  
subject of  
foreign aid

Rick

Attachments returned to NSC  
3/9/77

THE WHITE HOUSE  
WASHINGTON

March 9, 1977

Hamilton Jordan -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Alan Campbell & Call to  
President Rogers

3-9  
Rogers -  
"ok"  
J

THE PRESIDENT HAS SEEN.  
THE WHITE HOUSE  
WASHINGTON

March 7, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: HAMILTON JORDAN *H.J.*  
SUBJECT: CALL TO PRESIDENT ROGERS AT THE  
UNIVERSITY OF TEXAS (512-471-1232)

You asked me to remind you to call Dr. Lorene Rogers, President of the University of Texas in Austin about Alan Campbell.

You should tell Dr. Rogers that you have interviewed Alan Campbell for appointment as Chairman of the Civil Service Commission and that you want to appoint him to that position, but that Dr. Campbell said that his commitment to the L.B.J. School is such that he could not accept the appointment until he was released from the commitment he had made to Mrs. Lady Bird Johnson and Dr. Rogers.

You should tell Dr. Rogers that Bob Strauss has already cleared this with the Johnson family and you personally wanted to ask Dr. Rogers to allow Dr. Campbell to accept your offer.

You might also emphasize the critical nature of the Civil Service Commission to you, given the fact that reorganization is one of the priorities of your Administration.

} THIS MIGHT  
BE TOO  
STRONG -  
NOW THAT WE  
HAVE GOTTEN BY LADY  
BIRD, ROGERS  
SHOULD NOT  
BE PUT IN  
THE POSITION  
OF VETOING  
CAMPBELL.  
*H.J.*

Electrostatic Copy Made  
for Preservation Purposes



THE WHITE HOUSE  
WASHINGTON

ACTION	FYI	
		MONDALE
		COSTANZA
	X	EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
	X	POWELL
	X	WATSON

- ☐ FOR STAFFING
- ☒ FOR INFORMATION
- ☐ TO PRESIDENT  
TODAY

ACTION	FYI	
		ARAGON
		BOURNE
		BRZEZINSKI
		BUTLER
		H. CARTER
		CLOUGH
		FALLOWS
		HARDEN
		HOYT
		KRAFT
		B. MITCHELL
		B. RAINWATER
		SCHLESINGER
		SCHNEIDERS
		SIEGEL
		T. SMITH
		WELLS
		VOORDE

THE WHITE HOUSE  
WASHINGTON

March 9, 1977

Stu Eizenstat  
Jody Powell  
Jack Watson

The attached was returned in the  
President's outbox. It is forwarded  
to you for your information.

Rick Hutcheson

Re: CEA memo Business Spending  
Plans for Plant & Equipment  
During 1976

THE PRESIDENT HAS SEEN.

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

March 8, 1977

EYES ONLY

MEMORANDUM FOR THE PRESIDENT

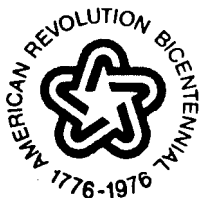
FROM: CHARLIE SCHULTZE <sup>CLS</sup>

SUBJECT: Business Spending Plans for Plant and Equipment  
During 1976.

The latest Commerce Survey of business plans for investment in plant and equipment (to be released publicly at 9:30 a.m., March 9) indicates a rise of 12 percent in these expenditures in 1977 relative to 1976. About half of this increase would probably reflect rising prices and the other half a rise in real investment. This survey -- taken in late January and February -- shows little change in spending plans since the previous survey, taken two months earlier.

If present plans were realized, the growth of business capital investment this year would be a little weaker than we had been projecting. It is still too early, however, to draw firm conclusions. Some of the other advance indicators of business capital spending -- new orders for machinery, manufacturers' appropriations for their capital budgets -- have been looking a bit stronger recently.

**Electrostatic Copy Made  
for Preservation Purposes**



THE WHITE HOUSE  
WASHINGTON

March 9, 1977

Hamilton Jordan  
Mark Siegel

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Preliminary Review of 1978  
Senate Races

THE WHITE HOUSE  
WASHINGTON

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
	X	JORDAN
		LIPSHUTZ
		MOORE
		POWELL
		WATSON

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ENROLLED BILL
	AGENCY BILL
	Staffing comments should go to Bert Carp within 48 hours; due from Carp to Staff Secretary next day.

	CAB DECISION
	EXECUTIVE ORDER
	Staffing comments should go to Doug Huron within 48 hours; due from Huron to Staff Secretary next day.

ACTION	FYI	
		ARAGON
		BOURNE
		BRZEZINSKI
		BUTLER
		CARP
		H. CARTER
		CLOUGH
		FALLOWS
		FIRST LADY
		GAMMILL
		HARDEN
		HOYT
		HUTCHESON
		JAGODA
		KING
		KRAFT
		LANCE
		LINDER
		MITCHELL
		POSTON
		PRESS
		B. RAINWATER
		SCHLESINGER
		SCHNEIDERS
		SCHULTZE
	X	SIEGEL
		SMITH
		WELLS
		VOORDE

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

9  
/

WEEKLY POLITICAL REPORT

Memorandum to The President

From: Hamilton Jordan *HJ.*

Date: March 7, 1977

PRELIMINARY REVIEW OF 1978 SENATE RACES

DEMOCRATS

Safe for a Democrat

Biden--has no problem.  
Eastland--has announced retirement. Seat is safe  
for a Democrat.  
Huddleston--has no problem.  
Johnston--has no problem.  
McClellan--has announced his retirement. Seat is  
safe for a Democrat.  
Nunn--has no problem.  
Randolph--has no problem.  
Sparkman--has announced his retirement. Seat is  
safe for a Democrat.

Shakey

Anderson--should be OK, but needs watching to measure  
impact of self-appointment.  
McIntyre--is a bit shakey, but should be OK, provided  
the President's popularity in New Hampshire remains  
high.  
Pell--should be OK, but needs watching.

Marginal

Abourezk--has announced his retirement. Seat becomes  
marginal at best. Gov. Kneip would be the strongest  
candidate, if he'd run.  
Clark--is shakey. Some believe that Ray will run  
against Clark, though others say Ray has an eye  
on 1980 and so will stay with his safer gubernatorial  
seat.  
Haskell--is shakey. State Legislature went Republican,  
two to one, in 1976.  
Hathaway--is shakey, especially if Rep. William Cohen  
decides to run.  
Metcalf--has announced his retirement. Seat is marginal.

**Electrostatic Copy Made  
for Preservation Purposes**

## REPUBLICANS

### Safe for a Republican

Baker--appears to have no problem, but that's what was said about Brock. If the race is a squeaker, Baker will be damaged for 1980.

Brooke--has no problem.

Case--has no problem.

Griffin--has no problem.

Hatfield--has no problem.

McClure--has no problem.

Pearson--has no problem.

Percy--has no problem.

### Shakey

*Important* → Helms--probably will retain his seat, but we may be able to take it from him.  
Stevens--appears OK, but we may have a chance. Alaska is difficult to predict.  
Thurmond--may retire. If he does, a Democrat will pick up the seat. If Thurmond doesn't retire, Pug Ravenel would have a good shot at the seat (if he'd run).  
Tower--may be takeable. *Kraeger interested*

### Marginal

Bartlett--appears to be marginal

Curtis--has announced his retirement. We just won the other Senate seat in Nebraska (Sen. Zorinsky), so we may be able to take Curtis' seat.

Scott--has announced his retirement. This seat is probably our best shot.

## DNC UPDATE

Paul Sullivan is in place as Executive Director.

The State Chairmen's Association on March 31 will elect a new President. Ann Campbell (New Jersey) is the only announced candidate and almost certain winner, even if contested.

Morley Winograd, who is gearing up his staff for the delegate selection commission, has offered the Staff Director's job to John Rendon, currently Executive Assistant to Governor Dukakis.

Both the Campbell and the Rendon developments are positive.

**Electrostatic Copy Made  
for Preservation Purposes**

ERA UPDATE

Prospects for 1977 appear to be as follows:

South Carolina--Senate good, House improbable.  
Florida--good chance; public majority in both  
Houses.  
Oklahoma--fair chance.  
Illinois--fair chance.  
Missouri--little chance.

Passage in 1977 is unlikely, but we have a very good  
chance of obtaining ratification prior to the March 22,  
1979 deadline.



THE WHITE HOUSE  
WASHINGTON

March 9, 1977

Ham Jordan -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Letter from  
Alan K. Campbell

THE WHITE HOUSE  
WASHINGTON

*hand carry*

ACTION	FYI		ACTION	FYI	
		MONDALE			ARAGON
		COSTANZA			BOURNE
		EIZENSTAT			BRZEZINSKI
X		JORDAN			BUTLER
		LIPSHUTZ			H. CARTER
		MOORE			CLOUGH
		POWELL			FALLOWS
		WATSON			HARDEN
					HOYT
					KRAFT
					B. MITCHELL
					B. RAINWATER
					SCHLESINGER
					SCHNEIDERS
					SIEGEL
					T. SMITH
					WELLS
					VOORHEE

- ☐ FOR STAFFING
- ☐ FOR INFORMATION
- ☐ TO PRESIDENT  
TODAY

THE WHITE HOUSE  
WASHINGTON

*Have Jordan - ? -*

*Tell him Pres Rogers was  
him to stay at LBJ we were  
him in Wash. Let him decide*  
March 8, 1977

The President  
The White House  
Washington, D.C. 20500

THE PRESIDENT HAS SEEN.

Dear Mr. President:

Since our meeting last Wednesday, I have been concerned about the impression that I may have made regarding my commitment to the University of Texas and would like to explain the unusual nature of that commitment and, in addition, why the Chairmanship of the Civil Service Commission attracts me as a challenging and extremely important opportunity.

Following your election several individuals and organizations asked me if I would be willing to have them recommend me to your transition people for the Commission Chairmanship. Among those involved were colleagues in the academic world, several executive directors of state and local government organizations, and some officials of the American Federation of State, County, and Municipal Employees.

Although I am not a personnel expert, I would have preferred to be considered for an appointment in my field of specialization, urban governance, I agreed to my name being suggested for the Chairmanship. I did so because over the years I have become disturbed with the poor performance of the Commission which I have come to understand through my various roles in the public service education world. Incidentally, your proposal during the campaign for the establishment of a federal internship program for young people trained for public service careers was part of our effort to shake up the Commission and to encourage it to recognize the role of educational institutions designed to provide this kind of education and training.

In early December, the University of Texas asked me to consider becoming Dean of the Lyndon B. Johnson (LBJ) School of Public Affairs. The situation at the school made this offer different from a typical one. The school, founded in 1970, has experienced great difficulty in maintaining strong leadership. In its seven years of existence, it has had two deans and four acting ones. The reasons for this situation are a combination of accident, the school's newness and its relationships to the Texas government and university environments. Despite these problems, the school's potential for becoming one of the leading public service education institutions is very great. To lose another dean might delay this achievement. Many people here believe that the result of such a loss would be more damaging than that.

The current financial situation of the school is also serious. It is funded in large part by a separate line item in the Texas budget. After I accepted the deanship, but unrelated to this acceptance, the legislative budget board removed the item from the budget it recommended to the legislature. It may be restored, perhaps only in part, but that is not certain.

**Electrostatic Copy Made  
for Preservation Purposes**

Before accepting the LBJ deanship, I asked those who had been championing me for the Chairmanship post whether a decision would be made before I had to respond to the LBJ offer. They checked and said it would not. Since I did not know how serious my candidacy was, I accepted the Texas offer and told my friends to remove me from possible consideration of the Chairmanship, if in fact I had been considered.

Hamilton Jordan's call, therefore, came as a surprise. My first reaction when he told me you wished to discuss the Chairmanship of the Commission was that my commitment here was so great that I had to say no. However, when he related the position to your plans for Executive Branch reorganization, my reaction was so positive that I could not bring myself to withdraw. This enthusiasm was greatly reinforced by my meeting with Bert Lance. His views and mine about what reorganization should accomplish are sufficiently similar that working with him would be an exciting and important assignment. Following my meeting with Mr. Lance, I met with you and I hope that this background to our meeting will help you understand why I stressed so strongly the potential role of the Chairman of the Commission and my concern regarding the commitment to the LBJ School and the University of Texas.

Warm personal regards,

Alan K. Campbell

P.S. This letter like my earlier memo is unsigned because I dictated them by telephone from Texas.

THE WHITE HOUSE  
WASHINGTON

March 9, 1977

Jack Watson -

The attached letter has been  
sent to Secretary Alexander.  
The attached is for your information.

Rick Hutcheson

Z. Brzezinski

backed  
given to  
Babe Linder  
x 3/14/77

THE WHITE HOUSE  
WASHINGTON

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
	X	WATSON

*Send to Alexander*

FOR STAFFING
FOR INFORMATION
X FROM PRESIDENT'S OUTBOX
LOG IN/TO PRESIDENT TODAY
IMMEDIATE TURNAROUND

ENROLLED BILL
AGENCY BILL
Staffing comments should go to Bert Carp within 48 hours; due from Carp to Staff Secretary next day.

CAB DECISION
EXECUTIVE ORDER
Staffing comments should go to Doug Huron within 48 hours; due from Huron to Staff Secretary next day.

ACTION	FYI	
		ARAGON
		BOURNE
		BRZEZINSKI
		BUTLER
		CARP
		H. CARTER
		CLOUGH
		FALLOWS
		FIRST LADY
		GAMMILL
		HARDEN
		HOYT
		HUTCHESON
		JAGODA
		KING
		KRAFT
		LANCE
		LINDER
		MITCHELL
		POSTON
		PRESS
		B. RAINWATER
		SCHLESINGER
		SCHNEIDERS
		SCHULTZE
		SIEGEL
		SMITH
		WELLS
		VOORDE

THE WHITE HOUSE  
WASHINGTON

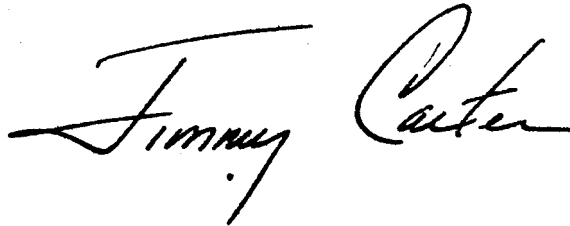
March 7, 1977

Dear Mr. Secretary:

I am writing in response to a letter dated February 3 received from former Secretary of the Army Hoffmann recommending fuller information to Canal Zone residents about the status of the treaty negotiations.

I have instructed the United States negotiators to give high priority and early attention to the concerns of U. S. citizens working in the Canal Zone, and to keep employees of the Canal Zone Government and Panama Canal Company informed of the progress of the treaty negotiations. Be assured of my concern that the rights of United States citizens be fully protected.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned below the word "Sincerely,".

The Honorable  
Clifford Alexander  
Secretary of the Army  
Washington, D. C.

CC: Martin Hoffmann

THE WHITE HOUSE

WASHINGTON

March 9, 1977

Midge Costanza  
Stu Eizenstat  
Ham Jordan  
Bob Lipshutz  
Frank Moore  
Jody Powell

Re: Economic Policy Group

The attached memorandum has been sent to members of the Economic Policy Group. This copy is for your information.

Rick Hutcheson

cc: Bob Linder



THE WHITE HOUSE  
SIGNATURE MUST BE SECURED

TO: \_\_\_\_\_ DATE. 3/10/77  
The Honorable Ray Marshall  
Secretary of Labor  
Washington, D.C. 20210  
NUMBER 003015...  
TIME REC'D 3:12  
RECEIVED BY *[Signature]*  
DELIVERED BY *[Signature]*  
RETURN RECEIPT ROOM ~~54 IN O.E.O.B.~~  
RICK HUTCHESON

THE WHITE HOUSE  
SIGNATURE MUST BE SECURED

TO: \_\_\_\_\_ DATE. 3/10/77  
The Honorable Juanita Kreps  
Secretary of Commerce  
Washington, D.C. 20250  
NUMBER 003015...  
TIME REC'D 4:15  
RECEIVED BY *[Signature]*  
DELIVERED BY *[Signature]*  
RETURN RECEIPT ROOM ~~54 IN O.E.O.B.~~  
Rick HUTCHESON

THE WHITE HOUSE  
SIGNATURE MUST BE SECURED

TO: \_\_\_\_\_ DATE. MAR 10 1977  
The Honorable Patrica Harris  
Secretary of Housing & Urban  
Development  
Washington, D.c. 20410  
NUMBER 003015...  
TIME REC'D 2:15  
RECEIVED BY *[Signature]*  
DELIVERED BY *[Signature]*  
RETURN RECEIPT ROOM ~~54 IN O.E.O.B.~~  
RICH HUTCHESON

THE WHITE HOUSE  
SIGNATURE MUST BE SECURED

TO: DATE... 3/10/77  
NUMBER 003015  
The Honorable Bob S. Bergland  
Secretary of Agriculture  
Washington, D.C. 20250  
TIME REC'D 2:06.  
RECEIVED BY ... *Betty Stern* .....  
DELIVERED BY ... *J. A. [unclear]* .....  
RETURN RECEIPT ROOM ~~1111 S.E.C.D.~~  
RICK HUTCHESON

THE WHITE HOUSE  
SIGNATURE MUST BE SECURED

TO: DATE... 3/10/77  
NUMBER 003017  
The Honorable W.M. Blumenthal  
Secretary of the Treasury  
Washington, D.C. 20301  
TIME REC'D 2:50.  
RECEIVED BY ... *Richard H. [unclear]* .....  
DELIVERED BY ... *Glen* .....  
RETURN RECEIPT ROOM ~~1111 S.E.C.D.~~  
RICK HUTCHESON

THE WHITE HOUSE

WASHINGTON

Economic Policy Group

Members:

Vice President  
Secretary of Treasury ✓  
Secretary of Agriculture ✓  
Secretary of Commerce ✓  
Secretary of Labor ✓  
Secretary of HUD ✓  
Director of OMB  
Director of CEA  
Z. Brzezinski  
Stu Eizenstat  
Jack Watson

Peter Gould

usually sends out notices etc.

per Joan Ann *Harley*  
~~Harley~~

March 5, 1977

## MEMORANDUM FOR MEMBERS OF THE ECONOMIC POLICY GROUP

At the outset of this Administration I asked Charlie Schultze, in addition to his statutory duties as Chairman of the CEA, to serve as my personal economic adviser, thereby combining the functions served by two separate people under the prior Administration.

After an initial six weeks of experience as co-Chairman of the Economic Policy Group, Chairman Schultze believes that such a position may be incompatible with his role as personal economic adviser to the President. I concur in that judgment.

Charlie Schultze will continue to be a full member of the Executive Committee of the EPG. Secretary Blumenthal will assume the duties of the sole Chairman of the Group.

The Economic Policy Group is the body to which I shall look for coordinating government-wide economic plans and policies and bringing me recommendations for action. I expect Charlie Schultze, as CEA Chairman, to provide me with continuing economic analysis and advice, as well as to serve, on a staff basis, as my personal economic adviser.



Electrostatic Copy Made  
for Preservation Pl

*To Bob Sender*

*3/9/77 for aff. sub*

THE WHITE HOUSE  
WASHINGTON

March 9, 1977

Charlie Schultze -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Economic Policy Group

cc: Tim Kraft  
Jack Watson

THE WHITE HOUSE  
WASHINGTON

ACTION	FYI
	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON

FOR STAFFING  
FOR INFORMATION  
FROM PRESIDENT'S OUTBOX  
LOG IN/TO PRESIDENT TODAY  
IMMEDIATE TURNAROUND

ENROLLED BILL  
AGENCY BILL  
Staffing comments  
should go to Bert  
Carp within 48  
hours; due from  
Carp to Staff  
Secretary next day.

CAB DECISION  
EXECUTIVE ORDER  
Staffing comments  
should go to Doug  
Huron within 48  
hours; due from  
Huron to Staff  
Secretary next day.

ACTION	FYI
	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING
	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
X	SCHULTZE
	SIEGEL
	SMITH
	WELLS
	VOORDE

*Rich:*  
*Please*  
*transmit to the*  
*President*  
*Jack W.*

THE PRESIDENT HAS SEEN.

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

*To Schultze*  
*J*

March 7, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze *CLS*

SUBJECT: My role as your economic adviser, and my relationship  
with the Economic Policy Group (EPG)

I have thought carefully about your conversation last week with Jack Watson and your later talk with me on the same subject. I propose the following arrangements:

1. I should step down as co-Chairman of the EPG. Mike Blumenthal would be sole Chairman. The problem is not the co-Chairmanship. Mike and I work well together and had easily come to an agreement about division of responsibilities. But I cannot both play an independent role as your overall economic adviser and in some sense represent the EPG as co-Chairman.

I attach a draft memo from you to the EPG members announcing this change.

2. I would like to arrange to see you on a regularly scheduled basis twice a week. A 20 minute session each time might be about right. In those meetings I could:

- (i) brief you on current economic developments;
- (ii) keep you informed about problems or progress in Administration programs and policies that have economic significance;
- (iii) suggest areas for action or exploration.

If you agree, I will make arrangements with Tim Kraft.

Enclosure

**Electrostatic Copy Made  
for Preservation Purposes**

*ok*  
*JC*

THE WHITE HOUSE  
WASHINGTON

March 9, 1977

MEMORANDUM TO: THE PRESIDENT  
FROM: Jack Watson

The attached memorandum from Charlie Schultze to you is the result of our previous discussions on the subject. Charlie's suggestion to you, and his proposed memorandum from you to the EPG, fit precisely with the arrangements we discussed. Charlie and I have discussed the matter with Mike Blumenthal, and Mike agrees with the recommendation.

There is another matter which needs to be worked out, and that is the relationship of the Council on Wage and Price Stability to Charlie as Chairman of the CEA. As you know, CWPS is an important resource in terms of anti-inflation policy making. It may be a good idea for Charlie to be designated as Chairman of CWPS. We will discuss that subject with Mike Blumenthal and others and be back to you with a recommendation.

Respectfully,

A handwritten signature in cursive script, appearing to read "Jack", with a large, looping initial "J".

Attachment



THE WHITE HOUSE  
WASHINGTON

CC LANCE  
HARDEN  
JORDAN

THE WHITE HOUSE  
WASHINGTON

Mr. President:

Hamilton concurs with the concept. He has some suggestions on the exact approach, and will be working with other participants in the process.

(Attachment not submitted to you - 30 page "Reorganization Study Plan".)

Rick

THE WHITE HOUSE  
WASHINGTON

March 9, 1977

Bert Lance -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Ham Jordan  
Richard Harden

Re: Executive Office of the  
President Reorganization

THE WHITE HOUSE

WASHINGTON

Date: March 8, 1977

MEMORANDUM

FOR ACTION:

Hamilton Jordan - concur w/ concept<sup>+</sup> w/ some suggestions on exact approach  
*Hold for possible further comment*

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Bert Lance 3/7/77 re Executive Office of the President Reorganization.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: QUICK TURNAROUND

DAY: Wednesday

DATE: 3/10/77

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

FOR ACTION:

FOR INFORMATION:

Hamilton Jordan ✓

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Bert Lance 3/7/77 re Executive Office of the President Reorganization.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: 1 QUICK TURNAROUND

DAY: Thursday

DATE: March 11, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☒ I concur with concept. ☐ No comment.

Please note other comments below:

*Some suggestions on  
exact approach - L.H.  
generally acceptable.*

*3/8/77*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

INITIAL DRAFT CRITERIA FOR INCLUSION/EXCLUSION  
OF UNITS IN EXECUTIVE OFFICE OF THE PRESIDENT

INCLUSION

1. Function is required for resolution of conflicts between Departments/Agencies.
2. Function is required for implementation, follow-up, or evaluation of major Administration initiatives.
3. Function is required for impartial data collection and objective issue presentation for the President and Vice President.
4. Function is a required form of close support for other essential Executive Office of the President entities.
5. Function provides an essential link in the President's communications outside Executive Office of the President (e.g., public, Congress, agencies or public interest groups).
6. The President wants the function performed in the Executive Office of the President.

EXCLUSION

1. Mission no longer needs to be performed.
2. Only purpose is to provide visibility for a concern or issue.
3. Only purpose is to provide representation or advocacy of a particular group or viewpoint at a high level.
4. Mission falls within jurisdiction of a single department outside the Executive Office of the President.
5. Function duplicates/overlaps that of another Executive Office of the President unit.

*add: -- and cannot be performed as well  
in other agencies.*

*Let excessive time allotment be used to  
make this a showpiece.*

Electrostatic Copy Made  
for Preservation Purposes

We propose the following phases and timetable:

	<u>Tentative Completion Date</u>
1. Project management	June 6
2. Organization	March 14
3. Fact finding	April 11
4. Evaluation	May 2
5. Proposal and review of alternatives	May 16
6. Recommendations to the President	May 30
7. Presidential decision and submission to Congress	June 6

We have developed a proposed work plan (~~copy attached, Tab B~~) as a guide to managing the project through phase 7. Once you have submitted to Congress your Reorganization Plan for the Executive Office of the President, The Office of Management and Budget would prepare and carry through a second work plan for the legislative follow-up and implementation phases.

We will submit a single page status report to you weekly and anticipate providing you with interim recommendations for your input before they are finalized.

If you are in agreement, we are ready to go.

#### Decision Alternatives

- ☐ Approve plan as presented, go ahead.
- ☒ Approve plan as amended.
- ☐ Disapprove plan.
- ☐ See me.

#### Attachments



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET

ACTION

WASHINGTON, D.C. 20503

MAR 7 1977

THE PRESIDENT'S REORGANIZATION PROJECT

MEMORANDUM TO: The President

FROM: Bert Lance *Bhance*

SUBJECT: Executive Office of the President Reorganization

In accordance with your request, we have set up a study of the Executive Office of the President to:

1. Improve manageability and follow-up capacity
2. Streamline the coordinating, advisory and administrative support functions
3. Minimize duplication and overlap of mission by combining or eliminating functions.
4. Install zero-based budgeting
5. Establish criteria for inclusion/exclusion of functions within the Executive Office of the President (a copy of some initial thoughts is attached, Tab A)

We propose that the study be organized as follows:

1. Advisory Committee - consisting of Bert Lance, Hamilton Jordon, Charles Schlitz, Zbigniew Brzezinski, Stu Eizenstat, Jack Watson and Robert Lipshutz to provide interim guidance.
2. Project Leader - A. D. Frazier, Jr., to manage the project.
3. Resource people - budget, law, public awareness, reorganization and administration.
4. Four study teams - team leaders from outside government with private sector management experience, and team members including Office of Management and Budget budget analysts, incumbents in areas studied, and knowledgeable government and non-government people.

## TABLE OF CONTENTS

1. Introduction
2. Scope
3. Objectives
4. Approach
  - 4.1 Schedule
  - 4.2 Detailed Work Plan
    - A. Purpose
    - B. Scope
    - C. Plan
5. Organization and Management
  - 5.1 Executive Office of the President Agency Involvement
  - 5.2 Public Awareness Component
  - 5.3 Congressional Liaison
  - 5.4 Team Organization
  - 5.5 Staff Orientation
6. Available Background Information



## 1. Introduction

This constitutes the plan for the Executive Office of the President reorganization study effort. The effort is being viewed in the context of what the President wishes to receive from reorganization and what strategic functions need to be considered.

The end product should be to recommend the President and his key people an organization and system whereby they can truly manage the functions of the Executive Office of the President, utilize its resources and take effective actions when required. Additionally, the system will make it easier for those outside the Office to deal with this structure and thus make the office a model for openness in Government.

## 2. Scope

The study will include all Executive Offices of the President including entities, the White House Office, the Vice President's Office; interagency committees within these Offices; and all attendant support services and systems.

Reorganization must consider the President's desired management style, strategic coordination considerations, political and national security constraints.

## 3. Objectives

Specifically, the objectives of the study are:

- A. Establish decision criteria for inclusion or exclusion of functions in the Executive Office of the President.

- B. Establish discrete functions.
- C. Streamline the operation by improving manageability and coordination of functions by recommending a system with controls and accountability that can adapt to change.
- D. Improve information flow (and thus decisionmaking) to all staff who have "need to know" requirements.
- E. Install zero base budgeting for all offices.
- F. Recommend support services to improve administrative, operations, research and data processing capabilities.
- G. Make the Executive Office of the President a model of openness in government by installing the Public Awareness component in the Office and utilizing it in the Study.

#### 4. Approach

The effort will function in eight distinct phases. These phases and the purpose of each activity is indicated:

- 1. Managment of the project.
  - . Provide overall on-going project management.
- 2. Organization.
  - . Organize staff and start-up study effort.
- 3. Fact finding.
  - . Establish decisionmaking criteria for inclusion or exclusion of functions in the Executive Office of the President.
  - . Establish a baseline of information required to perform a detailed analysis and evaluation of EOP.

#### 4. Evaluation

- . Match the decision criteria against the facts and trends determined in Phase 3.
- . Analyze and evaluate data
- . Determine options for reorganization

#### 5. Proposal and review of alternatives

- . Present options developed in Phase 4 for review and comment.
- . Narrow the range of options
- . Prepare final recommendations

#### 6. Recommendations to the President

- . Define the options and make formal recommendations to the President.
- . Prepare drafts of authorizing and enabling documentation.

#### 7. Presidential decisionmaking and submission to Congress

- . Seek Presidential approval
- . Recommendations to Congress

#### 8. Legislative follow-up and implementation

- . Implement final legislative strategy
- . Congressional decisionmaking
- . Implement plan

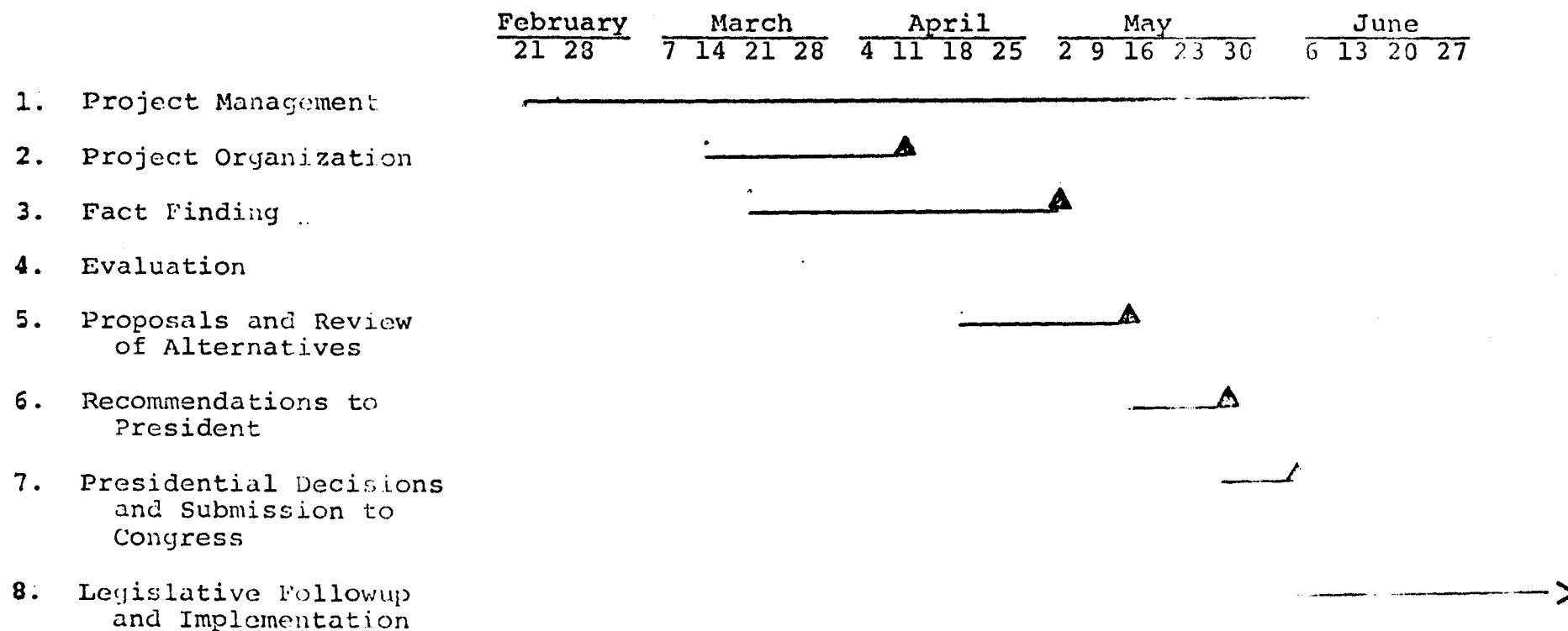
##### 4.1 Schedule

Target dates for completion of this effort are illustrated in figure 1 and summarized below. Completion of Phase 8 legislative followup and implementation is largely relative to congressional approval.

Figure 1

## EXECUTIVE OFFICE OF THE PRESIDENT REORGANIZATION

## OVERALL PROJECT SCHEDULE



<u>Phase</u>	<u>Tentative Start Date</u>	<u>Tentative Completion Date</u>
1. Project Management	February 21, 1977	June 6, 1977
2. Organization	February 21, 1977	March 14, 1977
3. Fact Finding	March 14, 1977	April 11, 1977
4. Evaluation	March 21, 1977	May 2, 1977
5. Proposal and Review of Alternatives	April 18, 1977	May 16, 1977
6. Recommendations to the President	May 16, 1977	May 30, 1977
7. Presidential Decision and submission to Congress	May 30, 1977	June 6, 1977
8. Legislative Follow-up and Implementation		

## 5.2 Detailed Work Plan

### A. Purpose

The following detailed work plan for the actual study is presented as a guide for accomplishing the mission of this effort. A detailed discussion of Phase 1, Project Management, is provided in Section 5 of this plan. The plan will be modified over time, but represents the work that must minimally be performed to achieve the mission in an orderly way to implementation.

### B. Scope

The work plan covers the following basic tasks.

1. Project management
2. Project organization
3. Fact finding
4. Evaluation
5. Presentation of proposals and review of alternatives
6. Recommendations to the President

7. Presidential decision-making and submission  
to Congress
8. Legislative follow-up and implementation.

c. Detailed Work Plan

Task	Person Responsible	Start Date	Date of Completion
------	-----------------------	---------------	-----------------------

---

1. Project Management

Purpose of Activity:

Insure that all required activities are performed properly and on a timely basis.

- 1.1 Finalize the detailed work program showing tasks to be accomplished, personnel assignments, target data and specific items to be produced.
- 1.2 Conduct periodic reviews with each individual assigned responsibility for a task to insure that work is progressively on schedule.
- 1.3 Review, modify and approve all reports generated by the project.
- 1.4 Prepare periodic progress reports.
- 1.5 Insure appropriate coordination and input to the Public Awareness Program being conducted for the overall reorganization effort.

c. Detailed Work Plan

Task	Person Responsible	Start Date	Date of Completion
------	-----------------------	---------------	-----------------------

---

2. Organization

Purpose of Activity:

Organize staff and start-up study effort

2.1 Staffing

2.1.1 Plan

- a. Draft organization chart
- b. Develop staffing plan
- c. Identify loan executives
- d. Identify administrators
- e. Identify project staff & staff specialist from  
offices under study
- f. Identify support staff requirements
- g. Develop job descriptions

2.1.2 Legal

- a. Legal authority to bring staff on board
- b. Conflict of interest
- c. Other



c. Detailed Work Plan - continued

Task	Person Responsible	Start Date	Date of Completion
2.1.3. Administrative			
a. Administrative processing requirements			
b. Security clearance requirements			
c. Pass requirements			
d. Other			
2.1.4 Implementation			
a. Approve organization			
b. Hire staff			
c. Process forms			
2.2 Budget			
2.2.1 Develop budget			
2.2.2 Approve budget			
2.3 Office, equipment and supplies			
2.3.1 Review assigned space			
2.3.2 Determine space allocation			
2.3.3 Specify			
a. furniture			
b. equipment			
c. communication			
d. supplies			

c. Detailed Work Plan - continued

Task	Person Responsible	Start Date	Date of Completion
2.3.4 Approve plan			
2.3.5 Secure space equipment and supplies			
2.4 Logistical arrangements for loan executives and detailees			
2.4.1 Travel reservations			
2.4.2 Housing			
2.4.3 Transportation			
2.4.4 Other			
2.5 Orientation program			
2.5.1 Prepare agenda			
2.5.2 Identify lecturers			
2.5.3 Secure lecturers			
2.5.4 Develop list of reading material			
2.5.5 Secure stenographer/transcriber/conference support			
2.5.6 Set up White House/EOB tour			
2.5.7 Develop preliminary task assignments			
2.5.8 Assign team members			
2.6 Liaison			
2.6.1 Develop briefing for EOP heads			
2.6.2 Develop briefing for senior staff			
2.6.3 Develop briefing for President			

c. Detailed Work Plan - continued

Task	Person Responsible	Start Date	Date of Completion
2.6.4 Organize review committee			
2.6.5 Brief review committee			
2.7 Prereporting data			
2.7.1 Develop draft report format			
2.7.2 Secure background documentation			
2.7.3 Develop report preparation flow process			
2.7.4 Develop task assignments			
2.7.5 Divide agencies for study			
2.7.6 Prepare timetable			
2.7.7 Develop interim report format			
2.7.8 Develop policy and procedures for preparation of report			
2.7.9 Develop policy and procedures for progress reporting			
2.7.10 Determine decision making authority criteria			

3. Fact Finding

Purpose of Activity:

- a. Establish decisionmaking criteria for inclusion or exclusion of functions in EOP
- b. Establish a baseline of information required to perform a detailed analysis and evaluation of EOP

c. Detailed Work Plan - continued

Task	Person Responsible	Start Date	Date of Completion
3.1 Decisionmaking criteria			
3.1.1 Team Leaders will outline a rationale for strategic coordination and EOP reorganization including objectives served and criteria to be met			
3.1.2 Develop a list of questions related to finalizing the criteria to be met by all reorganization efforts			
3.1.3 Present outline of rationale and questions (senior staff)			
3.1.4 Elicit response			
3.1.5 Prepare a report on decision criteria for including or excluding functions in EOP			
3.1.6 Review, edit, correct			
3.1.7 Present report to President and review committee			
3.1.8 Make revisions			
3.1.9 Prepare summary and present to public awareness component and congressional liaison			
3.2 Develop Historical Perspective			
3.2.1 Collect background on past EOP reorganization efforts			
3.2.2 Prepare "summary report on past efforts to reorganize EOP"			
3.2.3 Review, edit, correct			
3.2.4 Present to review committee			
3.3 Organization/Management			
3.3.1 Identify existing EOP offices, interagency coordinating committees & other support services & entities			

c. Detailed Work Plan - continued

Task	Person Responsible	Start Date	Date of Completion
3.3.2 From each entity under study, collect the following info.			
a. Organization charts			
b. Budget and cost information			
c. Staffing plan (authorized/actual include detailees from other agencies)			
d. Job descriptions			
e. Legal basis			
f. Brief history			
g. Gather additional background material			
3.3.3 Prepare summary report of each organizational entity			
3.3.4 Prepare "interim overview report of EOP organization & management"			
3.3.5 Review, edit, make corrections			
3.3.6 Present to review committee			
3.4 Paperwork and Workflow			
3.4.1 Select six representative documents from each organiza- tional entity			
3.4.2 Develop flow charts showing paperflow from input through output			
3.4.3 Determine approximate volume for last 18 months			
3.4.4 Review EOP forms			
3.4.5 Determine EOP word processing capabilities			

c. Detailed Work Plan - continued

Task	Person Responsible	Start Date	Date of Completion
3.4.6 Prepare interim report on paperwork and workflow			
3.4.7 Review, edit, make corrections			
3.4.8 Present to advisory committee			
3.5 Information Support			
3.5.1 Determine information collection and acquisition capability			
3.5.2 Determine research analysis capability			
3.5.3 Identify available data bases (hard copy & machine)			
3.5.4 Identify available information, storage and retrieval and data base management systems			
3.5.5 Determine hardware, software, peripheral, and terminal capabilities and interface with existing word processing capability			
3.5.6 Describe flow from input, storage, processing and retrieval			
3.5.7 Prepare "interim report on information/data processing capabilities"			
3.5.8 Review, edit, correct			
3.5.9 Present report to review committee			

c. Detailed Work Plan - continued

Task	Person Responsible	Start Date	Date of Completion
3.6 Congressional Liaison			
3.6.1 Identify key members of Congress & key congressional staff members			
3.6.2 With Congressional Liaison Office, develop preliminary "front-end" information briefing for key members of Congress and key congressional staff members			
3.6.3 Present briefing and elicit comments			
3.6.4 Follow-up as required			
3.6.5 Prepare "interim report on Congressional perspective"			
3.6.6 Review, edit, correct			
3.6.7 Present report to review committee			
3.7 "Public Awareness Program"			
3.7.1 Identify key groups, organizations and individuals			
3.7.2 Prepare public awareness strategy			
3.7.3 Prepare summary materials and briefings of this project for a public awareness program			
3.7.4 Hold briefings, interviews, conferences with key elements			
3.7.5 Elicit and document comments, suggestions, ideas			
3.7.6 Perform necessary follow-up			
3.7.7 Prepare an "interim report on comments received through public awareness program			
3.7.8 Review, edit, correct			
3.7.9 Present interim report to review committee			

c. Detailed Work Plan - continued

Task	Person Responsible	Start Date	Date of Completion
<u>4. Evaluation Phase</u>			
Purpose of this activity			
A. Match the reorganization rationale against the facts and trends determined in Task 2.			
B. Analyze and evaluate data			
C. Determine options for reorganization			
4.1 Based on President's decision criteria, summary of facts and trends from Task 2, develop list of alternative broad functions/policy areas which, en toto, represent the mission of EOP			
4.2 From these broad functions (3.1):			
A. Identify broad inputs/outputs of EOP			
B. Arrange these in logical groups by developing a matrix of organization entities x functions			
4.3 From the information developed in Task 2, perform a cost analysis of each organizational entity			
4.4 Group like information together and determine the cost of doing business by type of work being performed (research, printing, etc.) and determine where savings could be made			
4.5 From information derived in 3.2 & 3.4 identify the inter-relationships required & recommend centralization vs. decentralization			
4.6 Identify alternate structures - optional approaches			



c. Detailed Work Plan - continues

Task	Person Responsible	Start Date	Date of Completion
4.7 For each option prepare a report that includes:			
A. An organization chart for each organizational entity			
B. Function (mission or business) statements for each organizational entity			
C. Description of interrelationships between EOP organizational entities, and with other Federal agencies, other intergovernmental entities (regions, States, local governments) Congress and the private sector			
D. Legal basis			
E. Operational systems (including zero base budgeting) and procedures for each EOP entity required to carry out previously defined functions and interrelationships with an indication of the ability of systems & procedures to adapt to change			
F. Assess the impact of each option on:			
1. Existing structure			
a. Personnel aspects			
(1) Statutory job protection			
(2) Transfers to the field or to other agencies			
(3) Union-management relations			
(4) Authority to use detailees & military personnel			
2. Political			
3. Overall manageability & decisionmaking			
4. Economic			
5. Implementation feasibility			
G. Develop an evaluation plan that includes a method for self-evaluation & change			

c. Detailed Work Plan - continued

Task	Person Responsible	Start Date	Date of Completion
4.8 Prepare a report for each option			
4.8.1 Review, edit, correct			
4.9 Prepare a "Summary Report of Options" & attach individual option report			
4.9.1 Review, edit, correct			
4.10 Prepare briefing for Advisory Committee			
4.11 Present briefing and summary report to Advisory Committee			
5. <u>Proposal and Review of Alternatives</u>			
Purpose of Activity			
A. Present options developed in Task 3 for review & comment			
B. Narrow the range of options			
C. List advantages and disadvantages			
D. Prepare final recommendation			
5.1 Distribute copies of products developed in Task 3 to:			
a. President			
b. Advisory Committee			
c. Public Awareness Component			
d. Congressional Liaison			
e. All affected EOP offices			
f. Other agencies and individuals as requested			

c. Detailed Work Plan-continued

Task	Person Responsible	Start Date	Date of Completion
5.2 Provide briefings as appropriate			
5.3 Establish deadline for comments and elicit comments			
5.4 Receive, review and summarize comments			
5.5 Request additional clarification			
5.6 In light of response, revise and/or eliminate options ( develop a limited set of options)			
5.7 Prepare revised option reports including:			
A. Items listed in Task 3.4			
B. Prepare an implementation plan including:			
1. Overall schedule			
2. Administrative strategy			
a. draft executive orders			
b. draft determination orders			
c. change process			
d. staff plan			
e. support systems and services			
f. budget			
3. Legislative strategy			
4. Public Awareness Strategy			
C. Evaluation plan			

c. Detailed Work Plan - continued

Task	Person Responsible	Start Date	Date of Completion
5.7.1 Review, edit, correct			
5.8 Present to Advisory Committee			
5.8.1 Request comments			
5.9 Revise/eliminate options and recommendations			
5.10 Submit final recommendations to President			
6. <u>Recommendations to the President</u>			
Purpose of Activity			
A. Make formal recommendations to the President.			
B. Presidential decisionmaking			
C. Prepare drafts of authorizing and enabling documentation			
6.1 Distribute copies of recommendations in Task 4 to:			
A. President			
B. Advisory Committee			
C. Public Awareness Component			
D. Congressional Liaison			
E. All affected EOP offices			
F. Other agencies and individuals as required			
6.2 Brief the President and ask for comments			

c. Detailed Work Plan - continued

Task	Person Responsible	Start Date	Date of Completion
6.3 Summarize comments			
6.4 Revise plan			
6.5. Update administrative, congressional & public awareness strategies			
6.6 Prepare final drafts of:			
A. Report of the President to Congress			
B. Legislation			
C. Executive Orders			
D. Determination Orders			
E. Other change orders			
6.7 Prepare background documentation summaries for congressional testimony and public awareness program			
7. <u>Presidential Decisionmaking and Submission to Congress</u>			
Purpose of Activity			
A. Seek Presidential approval			
B. Forward recommendations to Congress.			
7.1 Present package developed under Task 5.6 to the President			
7.2 Brief President and request approval			
7.3 Make revisions if necessary			

c. Detailed Work Plan - continued

Task	Person Responsible	Start Date	Date of Completion
7.4 Submit package to Congress			
7.5 Implement final legislative strategy			
8. <u>Legislative Follow-up and Implementation</u>			
Purpose of Activity			
A. Implement final legislative strategy			
B. Seek approval			
C. Implement Plan			
8.1 Implement final legislative strategy			
8.2 Prepare and provide congressional testimony			
8.3 Implement final public awareness program strategy			
8.4 Execute necessary Executive Orders			
8.5 Execute necessary Determination Orders and other change orders			
8.6 Designate persons to execute plan			
8.7 Finalize and execute implementation plan			
8.8 Implement evaluation plan			

## 5. Organization and Management

The study will rely on resource people from inside and outside the government. A table of organization is shown in figure 2. A heavy reliance will be placed on insuring input from as many sources as possible including the agencies affected, other parts of the Executive Branch, the Congress and organized interest groups and individuals.

### 5.1 EOP Agencies

To this end, our plan intimately involves the affected agencies by creating a senior staff review committee to provide overall input to policy and review of study reports. Information derived from this level will be fed back to the study group for consideration. Additionally, staff specialists from the affected agencies will be detailed to participate on the operational level to assist in the total study process.

### 5.2 Public Awareness Component

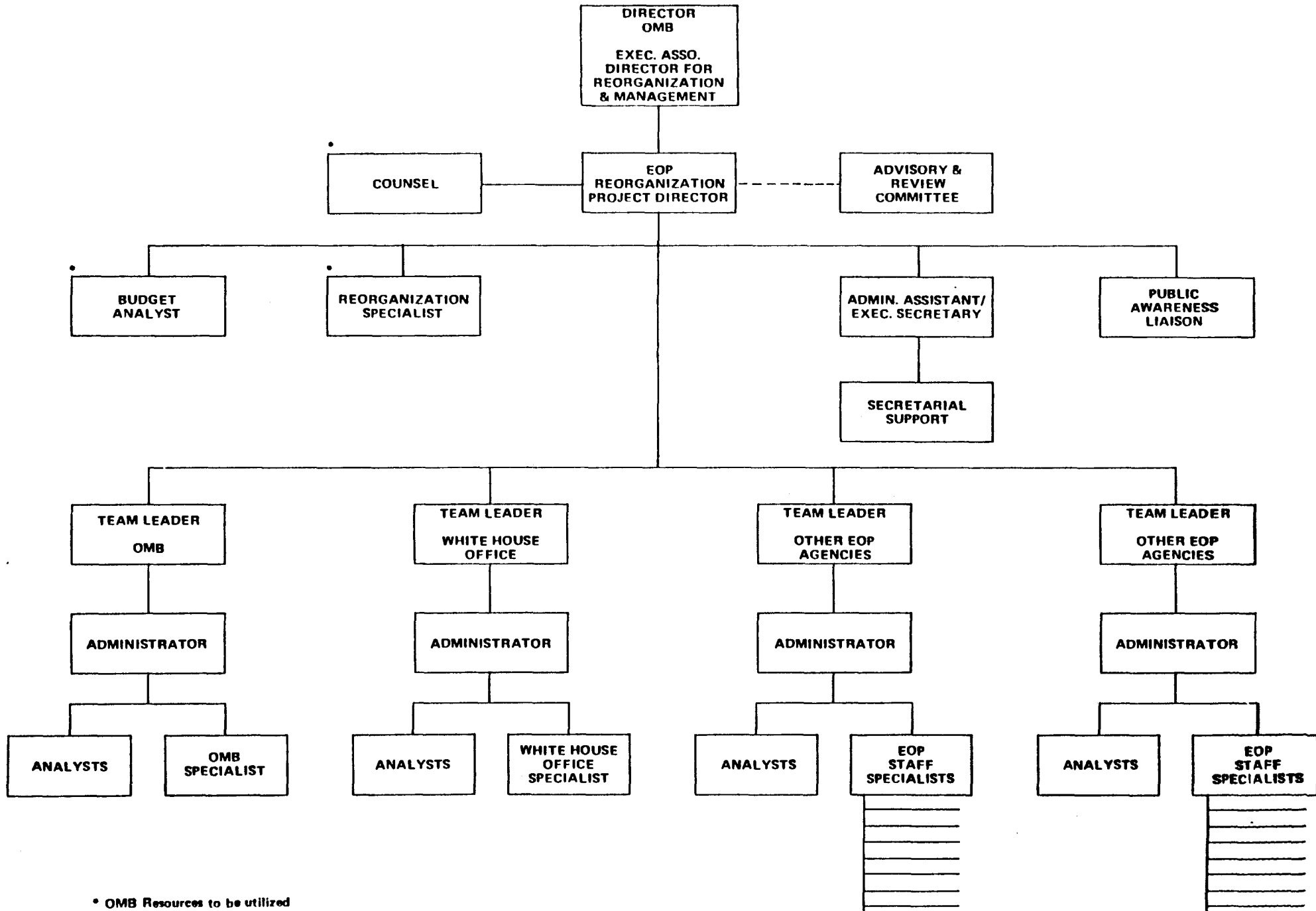
The emphasis in public awareness strategy for this study will be on consultation with outside groups and individuals who have the special knowledge, expertise, and interest to make a real contribution to reorganization planning.

Coordinated by a small Public Awareness Liaison staff reporting to the Project Director, outreach efforts will have two thrusts:

1. A series of panel discussions involving persons and representatives of groups experienced and knowledgeable about executive office responsibilities, functioning, and tasks is proposed. The initial responsibility of the team Leaders will be to identify such persons or groups, develop a series of seminar topics, and convene these panels at the

**ORGANIZATION CHART**  
**EXECUTIVE OFFICE OF THE PRESIDENT (EOP)**  
**REORGANIZATION PLAN STUDY**

FIGURE 2





White House for informal but in-depth discussions.

In this way all relevant points of view will be solicited.

2. The White House Press Office staff will serve as press spokesman for the Project. Interest in progress of reorganization of the Executive Office of the President will likely be shown by the political and economic journals (e.g. National Journal, Fortune, Government Executive) as well as a few television programs specializing in in-depth examination of complicated questions (e.g., the McNeil/Lehrer Report).

### 5.3 Congressional Liaison

It is crucial to keep Congress apprised of the progress of the study. Beginning early in the fact finding phase, we propose to conduct a series of "up front" informal briefings with key Members of Congress and key congressional staff people.

The objectives of this effort, our approach, progress and results will be discussed informally. The purpose of these meetings will be to avoid surprises, elicit the congressional perspective, develop a legislative strategy and modify our plan to meet the realities of anticipated congressional action.

It is important that recommendations be feasible and thus, that those affected clearly understand the goals and become involved in the process. All parties must be candid and open in their comments as possible. Congressional Liaison functions will be performed by OMB and White House Congressional Liaison Offices.

#### 5.4 Team Organization

The study effort will be staffed by four teams who will report to the Project Director, A. D. Fraizer. One team will examine OMB; the second will examine the White House and Vice President's Office and the other two will split the remaining Executive Office of the President functions.

Each team will be staffed by a senior executive level person from the private sector who will function as Team Leader and provide strategic guidance to the study. Assisting the Team Leader will be an Administrator/Lead Analyst who will provide operational control over all tasks assigned to the team, as well as participate in the study as lead analyst. Team members include a group of policy management, financial, and systems specialists from a variety of backgrounds inside and outside government.

Detailed job descriptions follow:

1. Project Management Group

a. Project Director (Detailee OMB)

Responsible to see the program through to completion; overall responsibility for the effort; identify personnel needs and obtain appropriate staff; manage the rest of the staff; see to it that the budget is adhered to; prepare initial work plans; report to advisory committee; keep the Executive Office of the President agency heads apprised of progress; and prepare final recommendations for the President.

b. Budget Analyst (Detailee OMB)

OMB staff member with familiarity of budgets within the Executive Office of the President, thorough knowledge of OMB procedure and funding for each Executive Office of the President agency. Serves as an information resource person and makes suggestions on cost allocations.

## Job Descriptions (Continued)

c. Counsel (Detaillee OMB)

Responsible for researching legal ramifications of reorganization effort; provides written information on statutory and regulatory authority for existing agency functions; prepares legislation to implement changes approved.

d. Executive Secretary/Administrator (Paid Staff OMB)

Should handle secretarial work for the project as well as administrative considerations, e.g., locating space, equipment rental, graphic support, meeting arrangements, appointment arrangements, oversight of paper flow, and organization of files.

e. Staff Specialist - Organization and Special Studies Division (Detaillee OMB)

Should pull together all related information on reorganization that has been assembled to date. Should have a thorough knowledge of reorganization procedures generally, and a knowledge of past efforts and mistakes. Should have working knowledge of overall Executive Branch reorganization effort being conducted under the direction of OMB. Will serve as resource person for the project.

## Job Descriptions (Continued)

### f. Secretarial (2) (Paid Staff)

This staff and the lead secretary would serve as the secretarial pool for all clerical work required for this project.

## 2. Study Teams

We will set up four study teams under the project manager. One team will be responsible for the Office of Management and Budget; one will be responsible for the White House; and two more will split the remaining Executive Office of the President agencies into two groups for further study. Each team would be comprised of the following:

### a. Team Leader

The leader will be an executive who is loaned to the project from the private sector. This person would have overall responsibility for fact finding, analysis, and preparation of reports. He should be of sufficient stature and experience to add credibility to the fact finding effort and to the recommendation process.

## Job Descriptions (Continued)

### b. Administrator (Paid Staff)

Responsible for the actual writing and preparation of reports, documents, and recommendations. Should have good analytical ability and organizational skills. Must be able to write well -- will function under the direction of the Team Leader. Once the Executive Office of the President reorganization task is completed this individual will move on to other reorganization projects within OMB.

### c. Study Team Members

(The Team Leader may or may not want to bring additional outside resources in as study team members.)

These could be loaned executives from both inside and outside the government and might not necessarily be retained on the government payroll. These individuals would have the same characteristics as the Team Leader -- gather and analyze information, interview appropriate personnel within the Executive Office of the President; validate and authenticate drafts of interim and final reports.

## Job Descriptions (Continued)

### d. Detailees (From the Units Studied)

Each office being examined should detail one individual to work as a part of the study team. That person's function would be to provide the substantive knowledge of what the agency does; gather information about the agency as required; ensure that all of the facts necessary to recommend a decision are made available; and make suggestions concerning possible changes in organization structure.

### 5.5 Staff Orientation

A two-day intensive staff orientation program has been developed. The first day's agenda will familiarize the staff with the goals and background of this effort; introduce them to the resources available to do the job; outline reorganization authority, legal mechanisms available for change; and introduce the concept of zero base budgeting, objectives of a public awareness component and role of congressional liaison. The second day will outline the structure and fiscal side of the agencies under study; outline the mechanics of plan implementation; introduce staff to representatives of the agencies; organize the teams; and, make assignments.

## 6. Background Information

A reading list has been developed that will provide team members with initial background and overview information. Additionally, Figure 3 shows the initial data base of information that has been assembled. This data base will expand over the course of the study as new information is uncovered.



Figure 3

AVAILABLE BACKGROUND MATERIAL

2/25/77

Initial Background Material

Title	Scope	Present Location	Contact	Follow-up	Who Responsible
1. Ash Reports*	Nixon Reorganization	OSS	Jones/Garrison	1. Asked Jones to give me index 2. Must screen and secure relevant material	Garrison/Jones
2. Heineman Report *	Nixon Reorganization	Associate Director, Wellford Management		Secure Copy	Frank Wilson
3. Past Reorganization efforts: Summary of relevant info.	Plans from 1945 Complete collection	OSS	Garrison/Jones	1. Develop index 2. Screen for relevant information 3. Secure copies	Garrison/Jones
4. Presidential "Promise Book"	Complete list of campaign promises Indexed?	Who	Eisenstadt	1. Secure copy 2. Screen for relevant material 3. Summarize	A.D. Secure copy
5. Weekly compilation of Presidential Documents *	All Presidential Statements, Documents Messages, etc.	Who	WH/OMB Distribution System	1. Get on Distribution list 2. Screen for relevant material 3. Summarize	Frank Wilson
6. Transition Reports on Reorganization*	Study of EOP & Recommendations for Reorganization	OMB	Katie Beardsley	Make sure we have copies of all reports	Beardsley
7. Organic statutes* Relevant Executive orders, etc.	Organic statutes for each office & relevant executive orders	OMB/CG	Bill Nichols	Secure copies	Nichols

8. Appropriation Paragraphs & Supplemental budget requests with amendments	Appropriation & budget information for each office	OMB	Val O'Day	Secure copies	O'Day
9. Organizational Block Charts	Shows organizational structure/current staffing and grades	OMB	Val O'Day	Secure copies	O'Day
10. Budget work book	Describes, process for developing budget under zero base concept		Jim Libby	Secure copies	Libby
11. EOP Mission & Function Statements and Org. Charts	Statement of EOP Mission & Functions & descriptions of organizations	Various EOP offices	Various EOP Offices	Secure copies or ask offices to generate	A.D./F.W.
12. Reading List/Bibliographics	Additional Insight to process	All	All	1. Collect bibliographic 2. Review 3. Secure copies	F.W
13. Information & data processing system descriptions	Info and data processing requirements	Info Systems Division	Wally Haase	Secure copies	F.W.
14. Survey of ADP Support	Complete	Research	Noel Starrett	Secure copies	F.W.

THE WHITE HOUSE  
WASHINGTON

March 9, 1977

Jack Watson -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Senator McFarland's  
Recommendation of Bill Gookin  
for Bureau of Reclamation

THE WHITE HOUSE  
WASHINGTON

ACTION	FYI	
<input type="checkbox"/>	<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	<input type="checkbox"/>	MOORE
<input type="checkbox"/>	<input type="checkbox"/>	POWELL
<input checked="" type="checkbox"/>	<input type="checkbox"/>	WATSON

- ☐ FOR STAFFING
- ☐ FOR INFORMATION
- ☐ TO PRESIDENT  
TODAY

ACTION	FYI	
<input type="checkbox"/>	<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	<input type="checkbox"/>	HOYT
<input type="checkbox"/>	<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	<input type="checkbox"/>	B. MITCHELL
<input type="checkbox"/>	<input type="checkbox"/>	B. RAINWATER
<input type="checkbox"/>	<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	<input type="checkbox"/>	T. SMITH
<input type="checkbox"/>	<input type="checkbox"/>	WELLS
<input type="checkbox"/>	<input type="checkbox"/>	VOORDE

THE ~~WHITE~~ HOUSE  
WASHINGTON

3/8/77

Mr. President --

Re: Sen. McFarland/Bill Gookin

Note of telephone call and letter  
from Senator Byrd -- attached.

I have tried every possible office  
that might have received a letter  
from Sen. McFarland -- with no  
results. However, it may be in the  
backlog, particularly if they didn't  
know he was a former senator or  
governor.

-- SSC

Call Sen McFarland

602/266-9906

943-3670

---

Bill Gookin  
for Reclamation  
Commission

Susan - get MCF  
ltr re Gookin  
J

Electrostatic Copy Made  
for Preservation Purposes

United States Senate  
Office of the Majority Leader  
Washington, D.C. 20510

February 28, 1977

7 MAR 1977

FM

The President  
The White House  
Washington, D. C.

Dear Mr. President:

Former Senate Majority Leader Ernest McFarland of Phoenix, Arizona, told me Saturday night that he had been trying to get in touch with you. Perhaps you would like to respond. His office telephone number is 602 266-9906 and his residence number is 602 943-3670.

Sincerely,

*Best personal regards.*  
*Robert*

February 24, 1977  
10:30 a.m.

*Jack -  
Andrew  
inform J*

MR. PRESIDENT

Former Governor of Arizona Ernest W. McFarland (also served as U.S. Senator) called to recommend Bill Gookin for Commissioner of the Bureau of Reclamation. Jack Watson took his call.

Governor McFarland was very cordial but he wants to give this recommendation directly to you if you have a minute.

Nell

**Electrostatic Copy Made  
for Preservation Purposes**



THE WHITE HOUSE  
WASHINGTON

March 9, 1977

Z. Brzezinski -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Frank Moore

Letter to Senator Percy re India  
Trip

THE WHITE HOUSE

WASHINGTON

3-9-77

To Sen. Charles Percy

Your excellent letter on  
India is very helpful to me.  
I know how difficult it  
was for you to go on the  
funeral trip, and really  
appreciate your willingness  
to help me and my mother  
in this way. In fact,  
in many different ways  
you have been very gracious  
in recent months. Thank  
you!

Your friend  
Jimmy

THE WHITE HOUSE  
WASHINGTONLIMITED OFFICIAL USE

March 8, 1977

ACTION

MEMORANDUM FOR: THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI *ZB.*

SUBJECT: Senator Percy's Observations on India

Senator Percy called on me shortly after his return from India for a lengthy discussion of Indo-American relations. He put particular emphasis on the need for us to appoint a top-notch ambassador there, mentioning Dean Rusk as the type of person he had in mind. (I do not believe that he is looking for the job himself.) Percy told me that you had passed a request for his views through Senator Sam Nunn. I found Percy exceptionally well informed on South Asia and his ideas are generally sound.

Following the meeting, Percy sent you a long letter, as well as a good one-page summary, covering his talks with Indian leaders and implicitly setting forth his own views. Both are attached at Tab B, with the summary on top.

I recommend that you call Percy to thank him for his letter and for going with the funeral delegation to India. (The latter was quite a strain on him, but he played a useful role.) A Telephone Call Recommendation is attached at Tab A.

RECOMMENDATION:

That you read Senator Percy's summary page and telephone him.

LIMITED OFFICIAL USE

~~THE~~ WHITE HOUSE  
WASHINGTON

please send bcc to  
frank moore.

thanks -- ssc

THE WHITE HOUSE  
WASHINGTON

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
		JORDAN
		LIPSHUTZ
	X	MOORE
		POWELL
		WATSON

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ENROLLED BILL
	AGENCY BILL
	Staffing comments should go to Bert Carp within 48 hours; due from Carp to Staff Secretary next day.

	CAB DECISION
	EXECUTIVE ORDER
	Staffing comments should go to Doug Huron within 48 hours; due from Huron to Staff Secretary next day.

ACTION	FYI	
		ARAGON
		BOURNE
	X	BRZEZINSKI
		BUTLER
		CARP
		H. CARTER
		CLOUGH
		FALLOWS
		FIRST LADY
		GAMMILL
		HARDEN
		HOYT
		HUTCHESON
		JAGODA
		KING
		KRAFT
		LANCE
		LINDER
		MITCHELL
		POSTON
		PRESS
		B. RAINWATER
		SCHLESINGER
		SCHNEIDERS
		SCHULTZE
		SIEGEL
		SMITH
		WELLS
		VOORDE

THE WHITE HOUSE  
WASHINGTON

March 9, 1977

Z. Brzezinski  
Jim Fallows

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Message on Foreign Assistance

CC: BRZ

Jim Talley

Chuck

THE WHITE HOUSE  
WASHINGTON

To Bob & Jim - 3-9-77

Have rewritten - Incorporate my written notes - preferably at beginning.

Don't emphasize increased appropriations without clear justification.

Design to substantiate moves toward reform.

J. C.

Electrostatic Copy Made  
for Preservation Purposes



THE WHITE HOUSE  
WASHINGTON*Hold*

March 8, 1977

MEMORANDUM FOR: THE PRESIDENT  
FROM: ZBIGNIEW BRZEZINSKI *ZB*  
SUBJECT: Message on Foreign Assistance

Secretaries Vance and Blumenthal have recommended (Tab B) that during or following your meeting with key Congressmen and Senators concerned with foreign aid -- which Blumenthal and I believe would be most useful on Wednesday morning -- you transmit to the Congress a Presidential message supporting our foreign assistance program. This would give our aid bills, presently either being marked up (the FY-77 supplemental) or in hearings (the FY-78 legislation) the strong Presidential boost they will need if they are to succeed. Mike Blumenthal believes that this message, along with a meeting with key Congressmen concerned with aid, is essential. It would also demonstrate your support to the many public interest groups concerned with aid. At Tab A, for your approval, is a draft message based on suggestions from State and Treasury.

The draft has been cleared with Jim Fallows. He questioned whether you wanted a preamble, indicating that you normally prefer to avoid too much rhetoric. We have, in recognition of this, tried to tighten up our earlier rhetoric. We believe that it would be useful to have a couple of initial paragraphs putting the rest of the message in a broader international and humanitarian context.

RECOMMENDATION

That you approve the attached message at Tab A for release during the meeting with key Congressmen, or immediately thereafter. Frank Moore concurs in this scenario.

\_\_\_\_\_ Approve message  
\_\_\_\_\_ Disapprove  
\_\_\_\_\_ Prefer to release at meeting  
\_\_\_\_\_ Prefer to release after meeting

I have been concerned about several aspects of our foreign assistance programs:

- a) Salaries and living style of some employees have been too lavish.
- b) Excessive amounts of aid have been allotted to some countries with ~~decreasing~~ lesser need.
- c) <sup>The portion of</sup> United States contributions in some multinational programs have been too high.
- d) Some ~~very~~ wealthy nations have not contributed their share to meet world needs.
- e) Congress has not <sup>always</sup> been able to monitor aid effectiveness.
- f) Inadequate fiscal constraints have been imposed on some borrowings from multinational lending agencies.

g) Management Mismanagement of our foreign assistance programs has contributed to waste, abuses, and inefficiency in the delivery of benefits to those for whom the programs were designed.

h) Close correlation between assistance and efforts and <sup>international</sup> political circumstances has sometimes been lacking.

i) Accurate ~~present~~ explanations to American citizens of resulting <sup>political, military and economic</sup> benefits to our own country from foreign assistance have been inadequate

j) Repressive regimes which violate human rights have sometimes been rewarded by liberal foreign aid grants and loans.

Our foreign assistance program is  
<sup>being</sup>  
~~has been~~ designed to eliminate the  
cause of many of these concerns.  
Close cooperation and support from  
the Congress is essential to the  
effectiveness of ~~and~~ foreign aid  
efforts.

**Electrostatic Copy Made  
for Preservation Purposes**

## Presidential Message on Foreign Assistance

We are challenged as a world to act together for peaceful change, and as a nation to cooperate in a process which will bring millions of our fellow human beings more productive lives in dignity and justice.

Prosperity in the US, and in other industrialized nations, is vital to the economic success of the developing world. Likewise our own future is bound up with the ability of the developing nations to overcome poverty, achieve healthy growth and live more secure lives. We thus have a strong mutual interest in combining our efforts, knowledge and resources with those of other nations to help poorer countries overcome the problems of hunger, disease and illiteracy. It is in our interest as well as theirs to support economic development and efforts to achieve a more peaceful and secure global environment. To do so we must step up our foreign assistance — effort.

American foreign assistance, combined with that of other nations, is basic to the establishment of a stable and prosperous global economy, and a more just and peaceful world.

Members of my Administration are testifying in support of our foreign assistance program, which has been shaped in close consultation with the Congress.

The program has four major objectives:

First, to reaffirm the American people's compassion for the poor of this earth, and for the victims of natural disasters.

Second, to express our country's traditional commitment to help other nations promote their own economic well-being. Our aid is an investment in the world economy which helps others and contributes to our own domestic prosperity.

Third, to encourage international trade, investment and technical cooperation for the sake of mutually beneficial economic growth. Every American worker, farmer, businessman, and consumer has a stake in this process.

Fourth, to support the security of friendly nations.

These objectives underline the growing community of purpose between the world's industrialized and developing countries. To achieve them, I ask your favorable consideration for the following:

-- Multilateral Development Assistance. Contributions to international financial institutions such as the World Bank group, and in particular the International Development Association, and the Inter-American, Asian and African Development Banks, are the primary source of assistance loans to the world's poorest nations. These institutions have been highly professional in their work. They remove political considerations to a great extent from economic development and can effectively encourage developing countries to pursue sound domestic policies. They pool the efforts of many donors, including some oil-exporting nations.

The Administration is seeking \$540 million in supplemental appropriations for fiscal year 1977 to fulfill past pledges to the international

financial institutions, and \$2.7 billion in new appropriations for fiscal year 1978. This is an increase of approximately one-third. The largest single expenditure is also the most important. It provides for US participation in the 5th replenishment of the International Development Association, which makes loans on especially favorable terms to the world's poorest nations.

The United Nations Development Program, which provides important technical assistance to the developing world, also depends on our assistance. We are seeking an appropriation of \$130 million for fiscal year 1978, a 30% increase over last year.

-- Bilateral Development Assistance. This effort, which has evolved through close cooperation with the Congress, directly provides American support for economic programs in the developing world. Through it we can share American expertise, both public and private, with the lower income countries, for the particular benefit of their poor majorities. Our bilateral programs emphasize food and nutrition, population and health, education and human resource development, and science and technology, including energy development. We will expect the recipient countries to mobilize their own resources, to ensure that the poor will share in the benefits, and to respect human rights. For fiscal year 1978, I am asking the Congress to provide \$1.3 billion for the bilateral development assistance program. This is a 20% increase over the amount provided for fiscal year 1977.

Last year, the Congress, on its own initiatives, appropriated \$5 million to help develop a comprehensive long-term recovery plan for Africa's Sahel region in the wake of a disastrous drought. As the first major US contribution to this program, I am requesting \$50 million for fiscal year 1978. We will cooperate with other interested nations in making further contributions to the Sahel development effort in the future.

-- The PL-480 Program. The enormous vitality of US agricultural production permits us to share a portion of our bounty in the form of food aid. Our PL-480 programs should not only help the poorer countries improve the quantity and quality of their nutrition, but also encourage self-help programs that will improve their capacity to feed their people in the future. And these programs let us offer relief from famine and privation in the wake of natural and man-made disasters. In fiscal year 1978, our food aid programs will distribute \$1.4 billion in agricultural commodities.

-- Security Assistance Program. Only where peace and security are assured can free nations devote their full energies to development. Our security assistance programs are keyed to these goals, and to advancing the security interests of the United States in cooperation with our friends and allies. Nearly two-thirds of the funds requested for security assistance will be for economic supporting programs. I have increased the amounts proposed by the previous Administration for the Middle East to strengthen the economic underpinnings so essential achievement of our goal of peace and stability in this vital region.



For FY-1978 the major elements of my program on security assistance are:

- Grant military aid -- \$284.6 million to eight countries, in most of which we also have US military facilities essential to our global interests. This includes \$224 in programs plus \$60.6 in general and administrative costs, most of which will be reimbursed from other sources.
- Grant military education -- \$35.7 million to train future military leaders.
- Financing for foreign military sales -- \$708 million, which will finance \$2.2 billion in loans to aid foreign governments to meet their essential security needs from their own resources over time, instead of depending on US handouts.
- Security supporting assistance -- \$1.9 billion to finance programs for countries whose economic condition is a factor in our efforts to assure international security. The two areas where most of these funds will be used -- the Middle East, and depending on events, Southern Africa -- testify to the significance of these programs.

These proposals are fully consistent with my wish to limit budget increases to essentials. My assistance program is part of an effort to combine support of our country's economic interests and security with compassion for the impoverished millions of fellow human beings who share the world with us.

I hope that the economic assistance program now before you will receive your careful, prompt, and sympathetic attention. It represents a vital step toward partnership in a peaceful and equitable world order.

DEPARTMENT OF STATE  
WASHINGTON

February 19, 1977

LIMITED OFFICIAL USE

MEMORANDUM FOR: THE PRESIDENT

FROM: E. Michael Blumenthal,  
Secretary of the Treasury  
Warren Christopher, *WC*  
Deputy Secretary of State-designate

SUBJECT: Congressional Hearings on  
Foreign Assistance

Congress has and will continue to be holding hearings on various elements of the U.S. foreign assistance program. This program is of fundamental importance to our foreign policy objectives in the Middle East, Southern Africa and in the North/South dialogue.

The major elements of our program are:

- Bilateral development assistance programs;
- Security supporting assistance related to specific problem areas of the globe;
- Our contributions to multilateral institutions, such as the World Bank and the regional development banks;
- Contributions to UN agencies and programs, including the United Nations Development Program; and
- P.L. 480 assistance.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

- 2 -

The total of our authorization and appropriation requests in FY 78 is likely to be substantially larger than the amount requested in recent years in good part due to our increased support for the multilateral development lending institutions, in particular the World Bank Group. Total authorization, for example, would be nearly \$8.5 billion in FY 78 compared with \$5.0 billion in FY 77 and \$7.3 billion in FY 76. The exact numbers may change slightly pending final decisions on a number of FY 1978 revisions to the Ford budget. Because the requests are unusually large, we can expect increased Congressional reluctance to support these programs in the absence of a strong commitment and leadership on the part of the Administration.

Given the significance of our foreign assistance efforts in pursuit of our national objectives, we believe that it would be extremely useful if you could provide the political impetus to our efforts to obtain the necessary Congressional support for these programs. We recommend that you take two actions:

- Issue a Presidential statement on foreign assistance to provide the overall policy framework; and
- Meet with key Congressional people, including both the House and Senate leadership, and the chairmen and ranking minority members of the various committees and subcommittees dealing with aspects of our foreign assistance programs.

We intend to give our initial Cabinet-level testimony on the foreign assistance programs beginning February 24. The meeting with Congressional leaders on foreign assistance would be most effective if it took place before this time. It would be appropriate to issue your statement as soon as your budget decisions permit and if at all possible before our testimony.

Attached is a draft Presidential statement.

Attachment:

Suggested Presidential statement

LIMITED OFFICIAL USE

THE WHITE HOUSE  
WASHINGTON

March 9, 1977

The Vice President  
Ham Jordan/Landon Butler  
Jack Watson

The attached was returned in  
the President's outbox and is  
forwarded to you for your  
information.

Rick Hutcheson

Re: Stu Eizenstat's memo 3/8/77 re  
Hatch Act Revision Legislation

THE WHITE HOUSE  
WASHINGTON

ACTION	FYI	
	<input checked="" type="checkbox"/>	MONDALE
		COSTANZA
		EIZENSTAT
	<input checked="" type="checkbox"/>	JORDAN/Butler
		LIPSHUTZ
		MOORE
		POWELL
	<input checked="" type="checkbox"/>	WATSON

*already had*

	FOR STAFFING
	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ENROLLED BILL
	AGENCY BILL
	Staffing comments should go to Bert Carp within 48 hours; due from Carp to Staff Secretary next day.

	CAB DECISION
	EXECUTIVE ORDER
	Staffing comments should go to Doug Huron within 48 hours; due from Huron to Staff Secretary next day.

ACTION	FYI	
		ARAGON
		BOURNE
		BRZEZINSKI
		BUTLER
		CARP
		H. CARTER
		CLOUGH
		FALLOWS
		FIRST LADY
		GAMMILL
		HARDEN
		HOYT
		HUTCHESON
		JAGODA
		KING
		KRAFT
		LANCE
		LINDER
		MITCHELL
		POSTON
		PRESS
		B. RAINWATER
		SCHLESINGER
		SCHNEIDERS
		SCHULTZE
		SIEGEL
		SMITH
		WELLS
		VOORDE

THE WHITE HOUSE  
WASHINGTON

3/9/77

Mr. President:

Jordan (Butler), Lipshutz,  
and Moore concur. The VP  
and Watson have no comment.

NOTE: The Vice President is  
holding a 4:00 PM meeting on  
this subject today, and  
would appreciate it if he  
could have your decision  
on the attached before  
that time.

Rick

THE WHITE HOUSE  
WASHINGTON

March 8, 1977

MEMORANDUM FOR: THE PRESIDENT  
FROM: STU EIZENSTAT *SE*  
SUBJECT: HATCH ACT REVISION LEGISLATION

This memorandum was prepared under my supervision by Steve Simmons and Si Lazarus of the Domestic Policy Staff, after consultation with Bert Lance, Jim McIntyre, and their staff at OMB, Mark Siegel on Hamilton's staff, and Jule Sugarman. There are conflicting opinions about the Hatch Act, and this memo represents the views of Steve, Si, and myself on how best to resolve them.

BACKGROUND

The Administration must decide what its position is on revising the Hatch Act. H.R. 10, a bill that would free all federal employees from Hatch Act restrictions on political activities, has been introduced in the House and hearings have already been held. No Administration spokesman testified. You have not publicly stated a position on the Hatch Act, but we understand that in October, 1976, you supported liberalization of the Act in a private meeting with several labor leaders in Florida. The Democratic Platform, on a minority plank approved at the Convention, endorsed liberalizing the Act.

H.R. 10 is identical to a bill that passed both Houses of Congress last session by substantial margins but was successfully vetoed by President Ford. One of labor's major legislative objectives, it is sure to be passed again by Congress this year.

A House mark-up on H.R. 10 is scheduled for Thursday, March 10. To have a maximum impact on the legislative process we should communicate our views by the mark-up session date. The Subcommittee is anxious to hear our position. Your guidance is needed on how we should react to the bill with respect to three major issues. These are:

**Electrostatic Copy Made  
for Preservation Purposes**

- extent of political participation for federal employees generally;
- extent of political participation for "sensitive" federal employees;
- the enforcement mechanism.

## ISSUES, RECOMMENDATIONS

### I. General Federal Employee Political Participation

Under the Hatch Act, federal employees cannot fully participate in partisan politics at the federal, state and local level. Although their rights to vote and express their opinions are guaranteed, they cannot do such things as volunteer work in a partisan campaign, hold office in a party, be a convention delegate, or be a partisan candidate for any public office. H.R. 10's key provision would free federal employees to fully participate in partisan politics at all levels.

AFL-CIO and the Civil Service unions argue that federal employees are being denied the political rights granted other Americans, that there is no potential for political abuse for many federal employees such as carpenters and letter carriers, and that other mechanisms can prevent abuse. Hamilton and Mark Siegel on his staff believe that the AFL-CIO should not be opposed on this provision because (1) organized labor is strongly committed on the issue, and (2) the provision will pass even if we oppose it.

On the other hand, Bert Lance, Jim McIntyre and their staff agree with Jule Sugarman that it is important to keep the Civil Service as neutral and impartial as possible. Preventing political involvement diminishes the possibility as well as the appearance of a biased Civil Service, and minimizes potential coercion by superiors on federal employees who can simply say "I'm hatched." There is also survey data indicating that many, if not most, employees actually prefer to remain under the Hatch Act.



DECISION (check option)

1. Oppose existing H.R. 10 provision, keeping restrictions at all levels \_\_\_\_\_
2. Favor bill, but try and negotiate restrictions on federal employee political activity (in addition to "sensitive employee" restrictions below) at the \_\_\_\_\_  
(check more than one option if appropriate)

Federal level \_\_\_\_\_

State level \_\_\_\_\_

Local level \_\_\_\_\_

3. Favor H.R. 10 provision as is, freedom at all levels (only subject to "sensitive employee" restrictions below)  
(Recommended)

*I don't care whether or not the bill passes. Would favor strict protection against influence or coercion from superiors - J*

II. "Sensitive" Federal Employee Political Participation

H.R. 10 would retain certain restrictions on political activity in "sensitive" positions. However, the bill defines "sensitive" by relating it to national security needs and agency head discretion in only the Internal Revenue Service, Central Intelligence Agency and the Justice Department.

This definition does not include all employees who have access to confidential information, law enforcement responsibilities or who decide on whether a major contract or other benefit will be given to a party in the IRS, CIA or Justice. Nor does it include employees who have these responsibilities in other agencies such as in the Treasury Department or Securities and Exchange Commission.

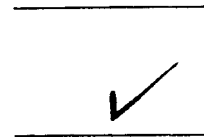
Yet it is especially important for such employees to appear impartial. Bert Lance, Sugarman and Siegel agree with us that the H.R. 10 definition needs clarification and expansion.

We have received informed indications from the American Federation of Government Employees and the National Federation of Federal Employees, the two largest employee unions, that they would support such a broadening of the "sensitive" position definition.

The statute could be rewritten so as to state that employees with access to confidential information, law enforcement responsibilities and the power to award contracts and similar benefits still be banned from political activity restriction. The Civil Service Commission could be given the responsibility for classifying such "sensitive" positions.

#### DECISION

1. Favor bill as is, define "sensitive" to include some positions in IRS, CIA, Justice only
2. Insist on broader based sensitive position definition, and require CSC to classify.  
(Recommended)



#### III. Enforcement Mechanism

H.R. 10 creates a three member panel of federal employees who will sit as an adjudicatory board and hear complaints based upon violations of the remaining anti-coercion, on-the-job politicking and other federal employee restrictions. Among the problems with this approach is that the members will not give the Board their full time attention, will be subject to potential pressure and/or subtle attitude control from their own agency, and will depend for their staff and facilities on the CSC. The CSC, which has not been particularly diligent in this area in the past, will prosecute violations.

A solution to this weak board structure would be to press for an independent enforcement mechanism, involving an NLRB type, full time board that could hear not only charges of political abuse, but complaints for all Civil Service violations (i.e., merit system, etc). Additionally, a non-partisan federal ombudsman could be created who could speak with employees in guaranteed confidentiality about alleged political coercion or other violations. Employees are more likely to go to a friendly ombudsman for expert advice and guidance, than a prosecutor. The ombudsman idea is likely to be popular. Hamilton's shop, OMB, Sugarman and we all seem to be in agreement that a more independent and significant enforcement mechanism must be created.

DECISION

1. Favor bill as is, keep employee board \_\_\_\_\_
2. Propose more independent enforcement  
mechanism \_\_\_\_\_  
(Recommended)

ADDITIONAL COMMENTS?

*We'll have a good  
CSC in the future - Let's  
put max reliance on them -  
J.C.*

**Electrostatic Copy Made  
for Preservation Purposes**

THE WHITE HOUSE

WASHINGTON

Date: March 8, 1977

MEMORANDUM

FOR ACTION:

The Vice President - *Gal Hansen*  
Hamilton Jordan/Mark Siegel - *see com to*  
Bob Lipshutz - *concur*  
Frank Moore - *concur*  
Jack Watson

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Stu Eizenstat memo 3/8/77 re Hatch Act  
Revision Legislation.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: TONIGHT

DAY:

DATE:

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

**PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.**

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE

WASHINGTON

March 8, 1977

MEMORANDUM FOR: THE PRESIDENT  
FROM: STU EIZENSTAT *SE*  
SUBJECT: HATCH ACT REVISION LEGISLATION

This memorandum was prepared under my supervision by Steve Simmons and Si Lazarus of the Domestic Policy Staff, after consultation with Bert Lance, Jim McIntyre, and their staff at OMB, Mark Siegel on Hamilton's staff, and Jule Sugarman. There are conflicting opinions about the Hatch Act, and this memo represents the views of Steve, Si, and myself on how best to resolve them.

BACKGROUND

The Administration must decide what its position is on revising the Hatch Act. H.R. 10, a bill that would free all federal employees from Hatch Act restrictions on political activities, has been introduced in the House and hearings have already been held. No Administration spokesman testified. You have not publicly stated a position on the Hatch Act, but we understand that in October, 1976, you supported liberalization of the Act in a private meeting with several labor leaders in Florida. The Democratic Platform, on a minority plank approved at the Convention, endorsed liberalizing the Act.

H.R. 10 is identical to a bill that passed both Houses of Congress last session by substantial margins but was successfully vetoed by President Ford. One of labor's major legislative objectives, it is sure to be passed again by Congress this year.

A House mark-up on H.R. 10 is scheduled for Thursday, March 10. To have a maximum impact on the legislative process we should communicate our views by the mark-up session date. The Subcommittee is anxious to hear our position. Your guidance is needed on how we should react to the bill with respect to three major issues. These are:

- extent of political participation for federal employees generally;
- extent of political participation for "sensitive" federal employees;
- the enforcement mechanism.

## ISSUES, RECOMMENDATIONS

### I. General Federal Employee Political Participation

Under the Hatch Act, federal employees cannot fully participate in partisan politics at the federal, state and local level. Although their rights to vote and express their opinions are guaranteed, they cannot do such things as volunteer work in a partisan campaign, hold office in a party, be a convention delegate, or be a partisan candidate for any public office. H.R. 10's key provision would free federal employees to fully participate in partisan politics at all levels.

AFL-CIO and the Civil Service unions argue that federal employees are being denied the political rights granted other Americans, that there is no potential for political abuse for many federal employees such as carpenters and letter carriers, and that other mechanisms can prevent abuse. Hamilton and Mark Siegel on his staff believe that the AFL-CIO should not be opposed on this provision because (1) organized labor is strongly committed on the issue, and (2) the provision will pass even if we oppose it.

On the other hand, Bert Lance, Jim McIntyre and their staff agree with Jule Sugarman that it is important to keep the Civil Service as neutral and impartial as possible. Preventing political involvement diminishes the possibility as well as the appearance of a biased Civil Service, and minimizes potential coercion by superiors on federal employees who can simply say "I'm hatched." There is also survey data indicating that many, if not most, employees actually prefer to remain under the Hatch Act.

DECISION (check option)

1. Oppose existing H.R. 10 provision, keeping restrictions at all levels \_\_\_\_\_
2. Favor bill, but try and negotiate restrictions on federal employee political activity (in addition to "sensitive employee" restrictions below) at the \_\_\_\_\_  
(check more than one option if appropriate)

Federal level \_\_\_\_\_

State level \_\_\_\_\_

Local level \_\_\_\_\_

3. Favor H.R. 10 provision as is, freedom at all levels (only subject to "sensitive employee" restrictions below) \_\_\_\_\_  
(Recommended)

## II. "Sensitive" Federal Employee Political Participation

H.R. 10 would retain certain restrictions on political activity in "sensitive" positions. However, the bill defines "sensitive" by relating it to national security needs and agency head discretion in only the Internal Revenue Service, Central Intelligence Agency and the Justice Department.

This definition does not include all employees who have access to confidential information, law enforcement responsibilities or who decide on whether a major contract or other benefit will be given to a party in the IRS, CIA or Justice. Nor does it include employees who have these responsibilities in other agencies such as in the Treasury Department or Securities and Exchange Commission.

Yet it is especially important for such employees to appear impartial. Bert Lance, Sugarman and Siegel agree with us that the H.R. 10 definition needs clarification and expansion.

We have received informed indications from the American Federation of Government Employees and the National Federation of Federal Employees, the two largest employee unions, that they would support such a broadening of the "sensitive" position definition.

The statute could be rewritten so as to state that employees with access to confidential information, law enforcement responsibilities and the power to award contracts and similar benefits still be banned from political activity restriction. The Civil Service Commission could be given the responsibility for classifying such "sensitive" positions.

### DECISION

1. Favor bill as is, define "sensitive" to include some positions in IRS, CIA, Justice only \_\_\_\_\_
2. Insist on broader based sensitive position definition, and require CSC to classify. \_\_\_\_\_  
(Recommended)

### III. Enforcement Mechanism

H.R. 10 creates a three member panel of federal employees who will sit as an adjudicatory board and hear complaints based upon violations of the remaining anti-coercion, on-the-job politicking and other federal employee restrictions. Among the problems with this approach is that the members will not give the Board their full time attention, will be subject to potential pressure and/or subtle attitude control from their own agency, and will depend for their staff and facilities on the CSC. The CSC, which has not been particularly diligent in this area in the past, will prosecute violations.

A solution to this weak board structure would be to press for an independent enforcement mechanism, involving an NLRB type, full time board that could hear not only charges of political abuse, but complaints for all Civil Service violations (i.e., merit system, etc). Additionally, a non-partisan federal ombudsman could be created who could speak with employees in guaranteed confidentiality about alleged political coercion or other violations. Employees are more likely to go to a friendly ombudsman for expert advice and guidance, than a prosecutor. The ombudsman idea is likely to be popular. Hamilton's shop, OMB, Sugarman and we all seem to be in agreement that a more independent and significant enforcement mechanism must be created.



DECISION

1. Favor bill as is, keep employee board \_\_\_\_\_
2. Propose more independent enforcement  
mechanism \_\_\_\_\_  
(Recommended)

ADDITIONAL COMMENTS?

Date: March 8, 1977

MEMORANDUM

## FOR ACTION:

The Vice President <sup>v12</sup>  
Hamilton Jordan/Mark Siegel ✓  
Bob Lipshutz  
Frank Moore  
Jack Watson

## FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Stu Eizenstat memo 3/8/77 re Hatch Act  
Revision Legislation.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: TONIGHT \*

DAY:

DATE:

## ACTION REQUESTED:

☒ Your comments

Other:

## STAFF RESPONSE:

☒ I concur.☐ No comment.

Please note other comments below:

Hatch Act reform is an integral part of the AFLCIO labor law reform package. Since our support for 14B repeal is passive, & support for Common Sites qualified, the Hatch Act gives us a good opportunity to actively endorse an AFLCIO position. The revisions passed once and will again, & we will certainly not veto. This also can be framed as opening up the political process to greater participation, & extending constitutional rights of free speech & free association to additional millions. When tied to strict enforcement provisions against abuse & evasion, I believe our support is a net political plus.

Siegel

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

Date: March 8, 1977

MEMORANDUM

## FOR ACTION:

The Vice President  
Hamilton Jordan/Mark Siegel  
Bob Lipshutz  
Frank Moore  
Jack Watson

## FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Stu Eizenstat memo 3/8/77 re Hatch Act  
Revision Legislation.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: TONIGHT

DAY:

DATE:

## ACTION REQUESTED:

☒ Your comments  
Other:

## STAFF RESPONSE:

☒ I concur.

☐ No comment.

Please note other comments below:



PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

Date: March 8, 1977

## MEMORANDUM

## FOR ACTION:

The Vice President  
Hamilton Jordan/Mark Siegel  
Bob Lipshutz  
~~Frank Moore~~ *fm*  
Jack Watson

## FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Stu Eizenstat memo 3/8/77 re Hatch Act  
Revision Legislation.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: TONIGHT

DAY:

DATE:

## ACTION REQUESTED:

☒ Your comments

Other:

## STAFF RESPONSE:

☒ I concur.

☐ No comment.

Please note other comments below:

*fm*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE  
WASHINGTON

March 9, 1977

Bert Lance -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Defense Program - Budget  
Calendar

Z. Brzezinski

THE WHITE HOUSE  
WASHINGTON

ACTION	FYI
	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ENROLLED BILL
	AGENCY BILL
	Staffing comments should go to Bert Carp within 48 hours; due from Carp to Staff Secretary next day.

	CAB DECISION
	EXECUTIVE ORDER
	Staffing comments should go to Doug Huron within 48 hours; due from Huron to Staff Secretary next day.

ACTION	FYI
	ARAGON
	BOURNE
X	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING
	KRAFT
X	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	WELLS
	VOORDE

---

THE WHITE HOUSE  
WASHINGTON

Mr. President:

Brzezinski concurs.

Rick



THE PRESIDENT HAS SEEN.  
EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

THE PRESIDENT HAS SEEN.

To Lance  
J

MAR 4 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Bert Lance *B Lance*  
SUBJECT: Defense Program - Budget Calendar

Attached is a proposed Defense program budget calendar you requested at the Defense briefing on January 31. To accommodate your interest in early involvement in the process, we suggest your participation in May and August, and late involvement in December.

The mid-May review, item 4 on the calendar, has usually involved interaction with the President, but not with a particular focus on national defense issues.

The late May Presidential review, item 5 on the schedule, is directly responsive to your desire for early involvement. Since it comes soon after the OMB Spring Planning Review, we will have tentative positions and alternatives on a variety of national defense issues as well as a proposed level for the FY 1979 Defense budget. It would be very helpful to have your views on these at this stage. It would be useful to have interaction with the Secretary of Defense and the National Security Advisor also at this time so that they could be aware of your views.

In late August or early September there should be a series of briefings on the NSC studies affecting our Defense posture. As now scheduled, these should all be completed by the end of August, and significant Defense budget impacts could result from them.

Your participation in May and August should significantly improve the entire Defense program budget review process. By making your tentative views clear at an early stage to the Secretary of Defense, a greater measure of realism and precision can be injected into the program development in the Department of Defense. In recent years Secretaries of Defense have tended to "game the process" by seeking much higher program levels than the President could ultimately approve. As a consequence, program planning within the Defense Department was grossly unrealistic and the rising expectations of the military departments were repeatedly thwarted in the late stages of the budget review.

**Electrostatic Copy Made  
for Preservation Purposes**



Decision

If you agree with the approach of the attached calendar in general terms, we will make the necessary schedule arrangements.

1. Agree with calendar ✓
2. See me

Attachment

*I want a written briefing  
from OMB before May meeting,  
including ZBB assessment of  
all significant expenditures.*

*JC*

**Electrostatic Copy Made  
for Preservation Purposes**

March 1, 1977

Proposed FY 1979  
Defense Program/Budget Calendar

		<u>Participants</u>			
		<u>DOD</u>	<u>OMB</u>	<u>NSC</u>	<u>Pres</u>
1. February	DOD Planning and Programming Guidance Memorandum. Provides Secretary of Defense's guidance to Services on fiscal planning assumptions, forces, logistics, manpower, research and development, telecommunications and intelligence.	X			
	NSC studies (e.g., PRM 10) affecting Defense force posture are initiated.	X	X	X	
2. May 1	Submission to the Office of the Secretary of Defense by the military services of proposed programs for FY 1979-83 in accord with the February Planning and Programming Guidance Memorandum.	X			
3. Apr.15-May 15	OMB Director's Spring Planning Review. Review and evaluation of the fiscal and economic situation, the expenditure outlook, agency plans and OMB program, budget and management issues.		X	X	
4. Mid May	Presidential review of OMB overall Federal budget projections and Troika economic projections.		X		X
5. Late May	Presidential review of major Defense program and budget issues and on-going NSC studies affecting Defense force sizing. Perhaps a 1-2 day discussion at Camp David with limited attendance.	X	X	X	X
6. June	Promulgation of FY 1979 Presidential budget and fiscal policy guidelines including specific budget planning targets to all agencies.		X		
7. July-Aug.	Completion of on-going NSC studies affecting Defense posture and review by the President.	X	X	X	X

		<u>Participants</u>			
		<u>DOD</u>	<u>OMB</u>	<u>NSC</u>	<u>Pres</u>
8. June-Sept.	Internal DOD program review, with informal OMB participation, culminating in Secretary of Defense program decisions that provide guidance to military departments for fall budget submissions.	X			
9. Sept.-Nov.	Joint DOD/OMB budget review of Service submissions. Budget hearings with Services, preparation of decision documents for consideration by Secretary of Defense resulting in a budget submission from the Secretary of Defense through OMB to the President.	X	X		
10. Nov. 10	FY 1979 Current Services Budget to Congressional Budget Office. Establishes FY 1979 funding base level for Congress.	X	X		
11. November	OMB Director's Review. Evaluation of OMB staff recommendations on agency goals, objectives, programs and budget estimates, culminating in Director's decisions on budget issues for Presidential review.		X	X	
12. December	Presidential Review. Review and resolution of budget issues, fiscal policy, economic assumptions. A three step process is proposed:				
	1. Tentative Presidential decisions		X	X	X
	2. DOD appeals	X	X		
	3. Final Presidential decisions	X	X	X	X
13. January 1978	Transmittal of FY 1979 Budget to Congress.		X		



THE PRESIDENTIAL M.O. SYSTEM  
EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

To Lance  
J

MAR 4 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Bert Lance *B Lance*  
SUBJECT: Defense Program - Budget Calendar

Attached is a proposed Defense program budget calendar you requested at the Defense briefing on January 31. To accommodate your interest in early involvement in the process, we suggest your participation in May and August, and late involvement in December.

The mid-May review, item 4 on the calendar, has usually involved interaction with the President, but not with a particular focus on national defense issues.

The late May Presidential review, item 5 on the schedule, is directly responsive to your desire for early involvement. Since it comes soon after the OMB Spring Planning Review, we will have tentative positions and alternatives on a variety of national defense issues as well as a proposed level for the FY 1979 Defense budget. It would be very helpful to have your views on these at this stage. It would be useful to have interaction with the Secretary of Defense and the National Security Advisor also at this time so that they could be aware of your views.

In late August or early September there should be a series of briefings on the NSC studies affecting our Defense posture. As now scheduled, these should all be completed by the end of August, and significant Defense budget impacts could result from them.

Your participation in May and August should significantly improve the entire Defense program budget review process. By making your tentative views clear at an early stage to the Secretary of Defense, a greater measure of realism and precision can be injected into the program development in the Department of Defense. In recent years Secretaries of Defense have tended to "game the process" by seeking much higher program levels than the President could ultimately approve. As a consequence, program planning within the Defense Department was grossly unrealistic and the rising expectations of the military departments were repeatedly thwarted in the late stages of the budget review.

Decision

If you agree with the approach of the attached calendar in general terms, we will make the necessary schedule arrangements.

1. Agree with calendar ✓
2. See me

Attachment

*I want a written briefing  
from OMB before May meeting,  
including ZBB assessment of  
all significant expenditures.*

*JC*

March 1, 1977

Proposed FY 1979  
Defense Program/Budget Calendar

		<u>Participants</u>			
		<u>DOD</u>	<u>OMB</u>	<u>NSC</u>	<u>Pres</u>
1. February	DOD Planning and Programming Guidance Memorandum. Provides Secretary of Defense's guidance to Services on fiscal planning assumptions, forces, logistics, manpower, research and development, telecommunications and intelligence.	X			
	NSC studies (e.g., PRM 10) affecting Defense force posture are initiated.	X	X	X	
2. May 1	Submission to the Office of the Secretary of Defense by the military services of proposed programs for FY 1979-83 in accord with the February Planning and Programming Guidance Memorandum.	X			
3. Apr.15-May 15	OMB Director's Spring Planning Review. Review and evaluation of the fiscal and economic situation, the expenditure outlook, agency plans and OMB program, budget and management issues.		X	X	
4. Mid May	Presidential review of OMB overall Federal budget projections and Troika economic projections.		X		X
5. Late May	Presidential review of major Defense program and budget issues and on-going NSC studies affecting Defense force sizing. Perhaps a 1-2 day discussion at Camp David with limited attendance.	X	X	X	X
6. June	Promulgation of FY 1979 Presidential budget and fiscal policy guidelines including specific budget planning targets to all agencies.		X		
7. July-Aug.	Completion of on-going NSC studies affecting Defense posture and review by the President.	X	X	X	X

Participants			
<u>DOD</u>	<u>OMB</u>	<u>NSC</u>	<u>Pres</u>

8. June-Sept.	Internal DOD program review, with informal OMB participation, culminating in Secretary of Defense program decisions that provide guidance to military departments for fall budget submissions.	X			
9. Sept.-Nov.	Joint DOD/OMB budget review of Service submissions. Budget hearings with Services, preparation of decision documents for consideration by Secretary of Defense resulting in a budget submission from the Secretary of Defense through OMB to the President.	X	X		
10. Nov. 10	FY 1979 Current Services Budget to Congressional Budget Office. Establishes FY 1979 funding base level for Congress.	X	X		
11. November	OMB Director's Review. Evaluation of OMB staff recommendations on agency goals, objectives, programs and budget estimates, culminating in Director's decisions on budget issues for Presidential review.		X	X	
12. December	Presidential Review. Review and resolution of budget issues, fiscal policy, economic assumptions. A three step process is proposed:				
	1. Tentative Presidential decisions		X	X	X
	2. DOD appeals	X	X		
	3. Final Presidential decisions	X	X	X	X
13. January 1978	Transmittal of FY 1979 Budget to Congress.		X		

THE WHITE HOUSE

WASHINGTON

Date: March 7, 1977

MEMORANDUM

FOR ACTION:

Zbigniew Brzezinski - *concur*

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Bert Lance memo 3/4/77 re Defense Program -  
Budget Calendar.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: 2:00 P.M.

DAY: Wednesday

DATE: March 7, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

3/9

**PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.**

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)



THE WHITE HOUSE  
WASHINGTON

3/7/77

TO.

Rick Hutchinson

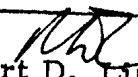
For Your Information: \_\_\_\_\_

For Appropriate Handling: ☒ \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

  
Robert D. Linder

THE WHITE HOUSE  
WASHINGTON

ACTION	FYI
	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON

- ☒ FOR STAFFING  
☐ FOR INFORMATION  
☐ TO PRESIDENT  
TODAY

ACTION	FYI
	ARAGON
	BOURNE
<input checked="" type="checkbox"/>	BRZEZINSKI
	BUTLER
	H. CARTER
	CLOUGH
	FALLOWS
	HARDEN
	HOYT
	KRAFT
	B. MITCHELL
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SIEGEL
	T. SMITH
	WELLS
	VOORDE



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

MAR 4 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

Bert Lance

*B. Lance*

SUBJECT:

Defense Program - Budget Calendar

Attached is a proposed Defense program budget calendar you requested at the Defense briefing on January 31. To accommodate your interest in early involvement in the process, we suggest your participation in May and August, and late involvement in December.

The mid-May review, item 4 on the calendar, has usually involved interaction with the President, but not with a particular focus on national defense issues.

The late May Presidential review, item 5 on the schedule, is directly responsive to your desire for early involvement. Since it comes soon after the OMB Spring Planning Review, we will have tentative positions and alternatives on a variety of national defense issues as well as a proposed level for the FY 1979 Defense budget. It would be very helpful to have your views on these at this stage. It would be useful to have interaction with the Secretary of Defense and the National Security Advisor also at this time so that they could be aware of your views.

In late August or early September there should be a series of briefings on the NSC studies affecting our Defense posture. As now scheduled, these should all be completed by the end of August, and significant Defense budget impacts could result from them.

Your participation in May and August should significantly improve the entire Defense program budget review process. By making your tentative views clear at an early stage to the Secretary of Defense, a greater measure of realism and precision can be injected into the program development in the Department of Defense. In recent years Secretaries of Defense have tended to "game the process" by seeking much higher program levels than the President could ultimately approve. As a consequence, program planning within the Defense Department was grossly unrealistic and the rising expectations of the military departments were repeatedly thwarted in the late stages of the budget review.

Decision

If you agree with the approach of the attached calendar in general terms, we will make the necessary schedule arrangements.

1. Agree with calendar \_\_\_\_\_
2. See me \_\_\_\_\_

Attachment

March 1, 1977

Proposed FY 1979  
Defense Program/Budget Calendar

		<u>Participants</u>			
		<u>DOD</u>	<u>OMB</u>	<u>NSC</u>	<u>Pres</u>
1. February	DOD Planning and Programming Guidance Memorandum. Provides Secretary of Defense's guidance to Services on fiscal planning assumptions, forces, logistics, manpower, research and development, telecommunications and intelligence.	X			
	NSC studies (e.g., PRM 10) affecting Defense force posture are initiated.	X	X	X	
2. May 1	Submission to the Office of the Secretary of Defense by the military services of proposed programs for FY 1979-83 in accord with the February Planning and Programming Guidance Memorandum.	X			
3. Apr.15-May 15	OMB Director's Spring Planning Review. Review and evaluation of the fiscal and economic situation, the expenditure outlook, agency plans and OMB program, budget and management issues.		X	X	
4. Mid May	Presidential review of OMB overall Federal budget projections and Troika economic projections.		X		X
5. Late May	Presidential review of major Defense program and budget issues and on-going NSC studies affecting Defense force sizing. Perhaps a 1-2 day discussion at Camp David with limited attendance.	X	X	X	X
6. June	Promulgation of FY 1979 Presidential budget and fiscal policy guidelines including specific budget planning targets to all agencies.		X		
7. July-Aug.	Completion of on-going NSC studies affecting Defense posture and review by the President.	X	X	X	X

		Participants			
		<u>DOD</u>	<u>OMB</u>	<u>NSC</u>	<u>Pres</u>
8. June-Sept.	Internal DOD program review, with informal OMB participation, culminating in Secretary of Defense program decisions that provide guidance to military departments for fall budget submissions.	X			
9. Sept.-Nov.	Joint DOD/OMB budget review of Service submissions. Budget hearings with Services, preparation of decision documents for consideration by Secretary of Defense resulting in a budget submission from the Secretary of Defense through OMB to the President.	X	X		
10. Nov. 10	FY 1979 Current Services Budget to Congressional Budget Office. Establishes FY 1979 funding base level for Congress.	X	X		
11. November	OMB Director's Review. Evaluation of OMB staff recommendations on agency goals, objectives, programs and budget estimates, culminating in Director's decisions on budget issues for Presidential review.		X	X	
12. December	Presidential Review. Review and resolution of budget issues, fiscal policy, economic assumptions. A three step process is proposed:				
	1. Tentative Presidential decisions		X	X	X
	2. DOD appeals	X	X		
	3. Final Presidential decisions	X	X	X	X
13. January 1978	Transmittal of FY 1979 Budget to Congress.		X		

THE WHITE HOUSE  
WASHINGTON

March 9, 1977

Bob Lipshutz -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Z. Brzezinski

*War Powers  
Resolution*

THE WHITE HOUSE  
WASHINGTON

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
		JORDAN
	X	LIPSHUTZ
		MOORE
		POWELL
		WATSON

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ENROLLED BILL
	AGENCY BILL
	Staffing comments should go to Bert Carp within 48 hours; due from Carp to Staff Secretary next day.

	CAB DECISION
	EXECUTIVE ORDER
	Staffing comments should go to Doug Huron within 48 hours; due from Huron to Staff Secretary next day.

ACTION	FYI	
		ARAGON
		BOURNE
	X	BRZEZINSKI
		BUTLER
		CARP
		H. CARTER
		CLOUGH
		FALLOWS
		FIRST LADY
		GAMMILL
		HARDEN
		HOYT
		HUTCHESON
		JAGODA
		KING
		KRAFT
		LANCE
		LINDER
		MITCHELL
		POSTON
		PRESS
		B. RAINWATER
		SCHLESINGER
		SCHNEIDERS
		SCHULTZE
		SIEGEL
		SMITH
		WELLS
		VOORDE



THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

March 5, 1977

To Bob  
cc 3619  
J

MEMORANDUM FOR THE PRESIDENT

FROM: Bob Lipshutz *BL*  
SUBJECT: "War Powers Resolution"

With reference to the above matter, I received a copy of your letter to Senator Barry Goldwater responding to his February 24 letter to you.

I assume that you have satisfied yourself that you have adequate authority to act in all contingencies. However, please advise if you wish me to undertake a review of this entire matter (in conjunction with the National Security Council, the Department of Defense, and/or Department of State -- and perhaps others).

*Advise if you have  
doubt*  
*J*

**Electrostatic Copy Made  
for Preservation Purposes**

THE WHITE HOUSE  
WASHINGTON

March 9, 1977

Stu Eizenstat -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Schedule Meetings with  
Assistant Secretaries for  
Policy

THE WHITE HOUSE  
WASHINGTON

ACTION	FYI
	MONDALE
	COSTANZA
	ZEIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON

FOR STAFFING
FOR INFORMATION
FROM PRESIDENT'S OUTBOX
LOG IN/TO PRESIDENT TODAY
IMMEDIATE TURNAROUND

ENROLLED BILL
AGENCY BILL
Staffing comments should go to Bert Carp within 48 hours; due from Carp to Staff Secretary next day.

CAB DECISION
EXECUTIVE ORDER
Staffing comments should go to Doug Huron within 48 hours; due from Huron to Staff Secretary next day.

ACTION	FYI
	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING
	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	WELLS
	VOORDE

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

March 3, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT *Stu*

SUBJECT:

Scheduled Meetings with Assistant  
Secretaries for Policy

As you know, Jody and Frank Moore meet once a week with their counterparts in the Cabinet Departments. Thus, Jody meets weekly with the Public Information Officers in each Department, while Frank meets with the Assistant Secretaries for Congressional Affairs in each Department. They feel these meetings are essential to help them keep in touch with developments within their area.

It would be helpful if I met with my counterparts in domestic agencies, the Assistant Secretaries for Policy, on a regular basis. Such a meeting would provide a useful forum to insure that agencies and departments are not taking contrary positions to each other and are working in tandem to achieve Administration goals. I would like your approval to hold such regular meetings.

Approve ✓

Disapprove       

*JC*

**Electrostatic Copy Made  
for Preservation Purposes**

THE WHITE HOUSE

WASHINGTON

Date: March 5, 1977

MEMORANDUM

FOR ACTION:

Jack Watson - *concur*

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Eizenstat memo on scheduled meetings with Asst.  
Secretaries for Policy.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: 2 p.m.

DAY: Tuesday

DATE: March 8, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

3/9

**PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.**

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE  
WASHINGTON

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
<input checked="" type="checkbox"/>		WATSON

- ☒ FOR STAFFING
- ☐ FOR INFORMATION
- ☐ TO PRESIDENT  
TODAY

ACTION	FYI	
		ARAGON
		BOURNE
		BRZEZINSKI
		BUTLER
		H. CARTER
		CLOUGH
		FALLOWS
		HARDEN
		HOYT
		KRAFT
		B. MITCHELL
		B. RAINWATER
		SCHLESINGER
		SCHNEIDERS
		SIEGEL
		T. SMITH
		WELLS
		VOORDE

THE WHITE HOUSE

WASHINGTON

Date: March 5, 1977

MEMORANDUM

FOR ACTION:

✓ Jack Watson

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Eizenstat memo on scheduled meetings with Asst. Secretaries for Policy.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: 2 p.m.

DAY: Tuesday

DATE: March 8, 1977

ACTION REQUESTED:

Other: ☒ Your comments

STAFF RESPONSE:

☒ I concur.  
Please note other comments below:

☐ No comment.

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

THE WHITE HOUSE

WASHINGTON

March 3, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

*Stu*

SUBJECT:

Scheduled Meetings with Assistant  
Secretaries for Policy

As you know, Jody and Frank Moore meet once a week with their counterparts in the Cabinet Departments. Thus, Jody meets weekly with the Public Information Officers in each Department, while Frank meets with the Assistant Secretaries for Congressional Affairs in each Department. They feel these meetings are essential to help them keep in touch with developments within their area.

It would be helpful if I met with my counterparts in domestic agencies, the Assistant Secretaries for Policy, on a regular basis. Such a meeting would provide a useful forum to insure that agencies and departments are not taking contrary positions to each other and are working in tandem to achieve Administration goals. I would like your approval to hold such regular meetings.

Approve \_\_\_\_\_

Disapprove \_\_\_\_\_



---

THE WHITE HOUSE  
WASHINGTON

Mr. President:

Jack concurs.

Rick

THE WHITE HOUSE  
WASHINGTON

March 9, 1977

Z. Brzezinski

The attached note to the Deputy  
Director of CIA is forwarded to  
you for delivery (FLAT).

Rick Hutcheson

THE WHITE HOUSE  
WASHINGTON

3-9-77

To Hank Knoche

You have done a  
superb job as Director  
of an intelligence  
community, and I  
thank you on behalf  
of the American people.

Your friend,  
Jimmy Carter

~~CONFIDENTIAL~~

THE WHITE HOUSE  
WASHINGTON

March 9, 1977

Stu Eizenstat -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: General Morris

Re: Functions of the Corps

Copysent to:

• General John W. Morris  
Chief of Engineers  
Department of Army  
The Pentagon  
Washington, D.C.

via Military Aides Office

"DETERMINED TO BE AN ADMINISTRATIVE MARKING  
CANCELLED PER E.O. 12958, SEC. 1.3 AND  
ARCHIVIST'S MEMO OF MARCH 18, 1993"

mark envelope:

~~confidential~~

CC STM

Gen Morris

RECEIVED TO A 2500 HOURS 10/10/83  
CANCELLLED PER HQ. BUREAU, SEC. 13 AND  
ARCHIVIST'S MEMO OF MARCH 16, 1983"

THE WHITE HOUSE  
WASHINGTON

~~CONFIDENTIAL~~

3-9-77

To Stu.

- a) Assess Priority & proper functions of Corps. - (no hurry)
- b) Involve CEQ, Energy, & Interior along with Gen Morris.

I think Corps should have supervised rebuilding railroads, perhaps Alaska pipeline, etc. and should evolve a comprehensive water conservation policy.

They can play an expanded role if they can get out of the pork barrel business.

J. Carter

cc: Gen Morris

THE PROBLEM HAS BEEN.

SUMMARY  
CIVIL WORKS PROGRAM  
U. S. ARMY CORPS OF ENGINEERS  
AND SPECIFIC NATIONAL PROBLEMS

Energy

- Increase hydroelectric power production:
  - Additional Capacity, Pumped Storage, and Reregulation
  - Comprehensive Study of Hydroelectric Power Resources (Tidal, Low Flow, etc.)
  - Small Hydroelectric Power Plants
- Improve Nation's bulk transport of high energy fuels:
  - Modernization of Channels and Harbors
  - Develop Deep Ports and Offshore Facilities
- Recover Solid Waste and Create Energy
- Develop Solar Energy at Federal Installations
- Use Wastewater for Soil Nutrition (Nitrates & Phosphates)
- Support other Federal Agencies (new Dept. of Energy) as Engineering Construction Management Agency for various energy initiatives

Economy

- Improve use and management of water supplies:
  - Emergency water supply from Federal projects to include reallocation and storage
  - Control natural salt pollution (Ark-Red Rivers)
  - Federal construction of Regional Wastewater System
  - Recovery of wastewater as usable asset
  - Assist states in water use planning
  - National Water Supply Study
- Improve the effectiveness of water transportation of bulk commodities
  - Modernize existing portion of System
  - Complete Water Transportation System as part of National Transportation Plan
  - Reevaluate Federally-supported commercial ports for economic and environ. effectiveness
  - Deep Ports and Offshore Facilities for super and very large tankers
- Reduction of Investment Losses caused by streambank and coastal erosion and flooding
- Complete Urban Studies to improve use of water and related land in heavily populated areas
- Create wetlands to sustain and supplement water-related industry (fishing, shrimp, etc.)
- Regulate development in wetland and other areas critical to long-term national resource base
- Complete Dam Safety Inspection and Repair

*3rd in line*

## Environment

- Seek nonstructural solutions to flood problems
- Restore and create wetlands with dredge material
  - Undertake Federal Planning, Design, and Construction of Regional Wastewater Treatment Systems
  - Dispose and utilize Wastewater Sludge
  - Restore Stripmines and Abate Mine Pollution
- Protect Shorelines and Riverbanks
- Renew Urban Waterfront
- Complete Environmental Inventories/Regional Flood Plain Studies
  - Extend River Basin Management (Great Studies)
- Engineer solutions to Environmental Problems
  - Conduct Environmental Training & Education, using Public land and Recreation Facilities
- Control Aquatic Growth and other adverse Water Quality effects in Reservoirs
- Manage Public lands to improve wildlife and its habitat

### • International Opportunities:

Environmental Impacts of International Navigation (45 nations)  
Egypt - Nile Delta  
Developing Nations



DISCUSSION WITH PRESIDENT CARTER

1. Project Review for FY 1978 Budget
2. Role of Corps of Engineers
  - a. Current Program/Organization
  - b. Summary of Corps Capability
    - (1) Specific
      - (a) Energy
      - (b) Economy
      - (c) Environment
    - (2) General

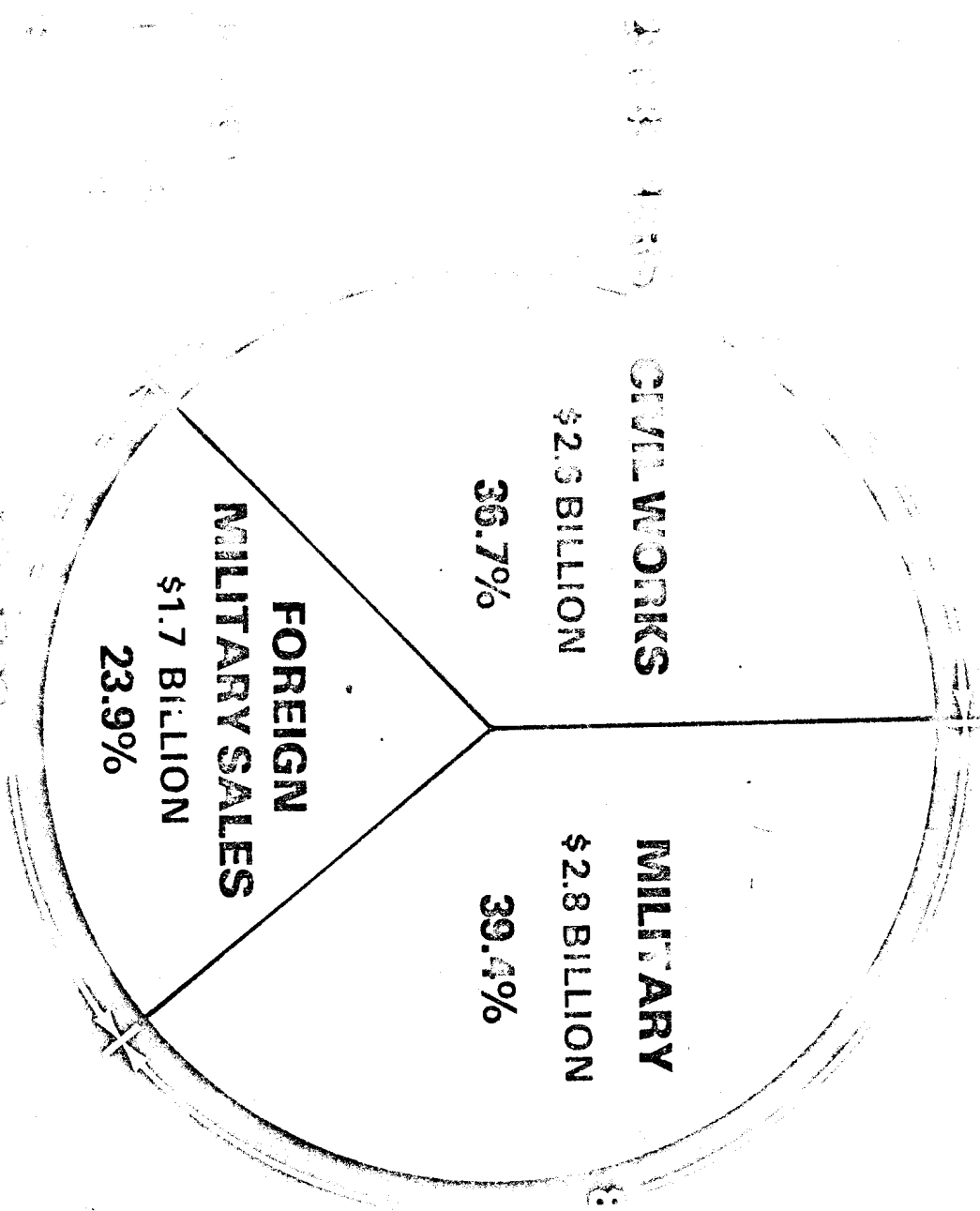
LTC J. W. Morris  
8 March 1977

CORPS OF ENGINEERS  
WATER RESOURCE PROJECT REVIEW

	<u>Dates</u>
Corps of Engineers Projects in FY 1978 Construction Budget	17 Jan
Initial Screening	5-10 Mar
a. Major remaining environmental impacts	
b. B/C ratio less than 1 at 6 3/8%	
c. Credible safety questions	
Projects to Receive Further Evaluation	11 Mar
Further Evaluation (2d Screen)	12-20 Mar
a. Alternative interest rates	
b. Environmental Mitigation	
c. Benefits in Priority Areas	
d. Contractual or other formal local commitments	
e. Need for additional studies	
f. Economic and environmental benefits vs economic and environmental costs	
g. Etc.	
Projects likely to be Affected by Final Evaluation Criteria (May include some large projects with hydropower, transportation, water supply and flood control features)	21 Mar
Further Evaluation (3d Screen)	22 Mar-7Apr
a. B/C ratio - current laws and regulation	
b. Cost of termination	
c. Employment	
d. Non-Federal sunk costs	
e. Litigation	
f. Alternatives	
g. Safety	
h. ETC.	
Public Hearings	26-31 Mar
Project Modification Recommended	8 Apr

# PROJECT RAVENS

2000-2001 FUNDING PERSONNEL - FY 97



2000-2001

2000-2001

2000-2001  
2000-2001  
2000-2001

## CIVIL PROGRAM

### NOTE

1. Basic Corps Organization

2. Strength

Down 3000 since 1965-68

O&M up 100% as projects are finished

Mil. - 283

Managers

Young

Adaptable

Engineering, Construction Management In-house

3. National Organization

Ready to respond to new requirements

NASA

Post Office

S.A.

Nigeria

Emergencies - flood, hurricanes

Mobilization - WWII, Korea

4. Not Involved in Engr or Construction of:

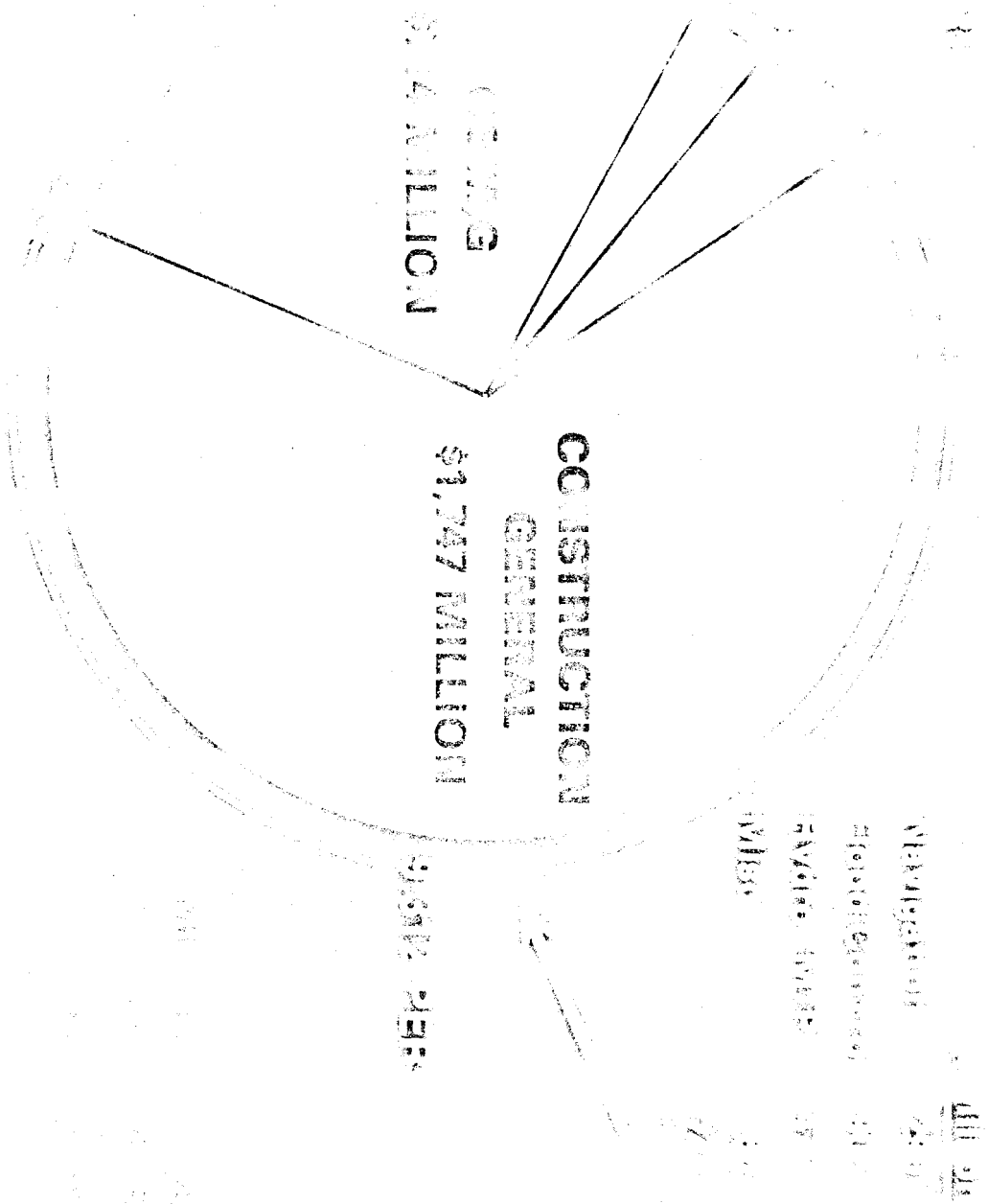
Railroads (DOT)

Strategic POL Storage (FEA)

Alaska Pipeline (DOI)

# PROJECTIONS

V. B. V.



MILITARY PROGRAM  
FY 1977

NOTE

1. Strength - Varies with work
  - Management
  - No operation function
  - Standard design
2. Organization - Flexible
  - Not Nationwide
  - Overseas - Korea, Europe

UNITED STATES DEPARTMENT OF AGRICULTURE

INVESTIGATION

NO. 100

1910

1911

\$703 MILLION

MCAL

1912 \*

\$1,724 MILLION

1913

1914

1915

1916

1917

1918

1919

1920

1921

1922

1923

1924

1925

1926

1927

1928

1929

1930

1931

1932

1933

1934

1935

1936

1937

1938

1939

1940

1941

1942

1943

1944

1945

1946

1947

1948

1949

1950

1951

1952

1953

1954

1955

1956

1957

1958

1959

1960

1961

1962

1963

1964

1965

1966

1967

1968

1969

1970

1971

1972

1973

1974

1975

1976

1977

1978

1979

1980

1981

1982

1983

1984

1985

1986

1987

1988

1989

1990

1991

1992

1993

1994

1995

1996

1997

1998

1999

2000

2001

2002

2003

2004

2005

2006

2007

2008

2009

2010

2011

2012

2013

2014

2015

2016

2017

2018

2019

2020

2021

2022

2023

2024

2025

2026

2027

2028

2029

2030

2031

2032

2033

2034

2035

2036

2037

2038

2039

2040

2041

2042

2043

2044

2045

2046

2047

2048

2049

2050

2051

2052

2053

2054

2055

2056

2057

2058

2059

2060

2061

2062

2063

2064

2065

2066

2067

2068

2069

2070

2071

2072

2073

2074

2075

2076

2077

2078

2079

2080

2081

2082

2083

2084

2085

2086

2087

2088

2089

2090

2091

2092

2093

2094

2095

2096

2097

2098

2099

2100

2101

2102

2103

2104

2105

2106

2107

2108

2109

2110

2111

2112

2113

2114

2115

2116

2117

2118

2119

2120

2121

2122

2123

2124

2125

2126

2127

2128

2129

2130

2131

2132

2133

2134

2135

2136

2137

2138

2139

2140

2141

2142

2143

2144

2145

2146

2147

2148

2149

2150

2151

2152

2153

2154

2155

2156

2157

2158

2159

2160

2161

2162

2163

2164

2165

2166

2167

2168

2169

2170

2171

2172

2173

2174

2175

2176

2177

2178

2179

2180

2181

2182

2183

2184

2185

2186

2187

2188

2189

2190

2191

2192

2193

2194

2195

2196

2197

2198

2199

2200

2201

2202

2203

2204

2205

2206

2207

2208

2209

2210

2211

2212

2213

2214

2215

2216

2217

2218

2219

2220

2221

2222

2223

2224

2225

2226

2227

2228

2229

2230

2231

2232

2233

2234

2235

2236

2237

SECURITY ASSISTANCE PROGRAM  
FY 1977

S.A.

Engr Asst Agreement - 1965

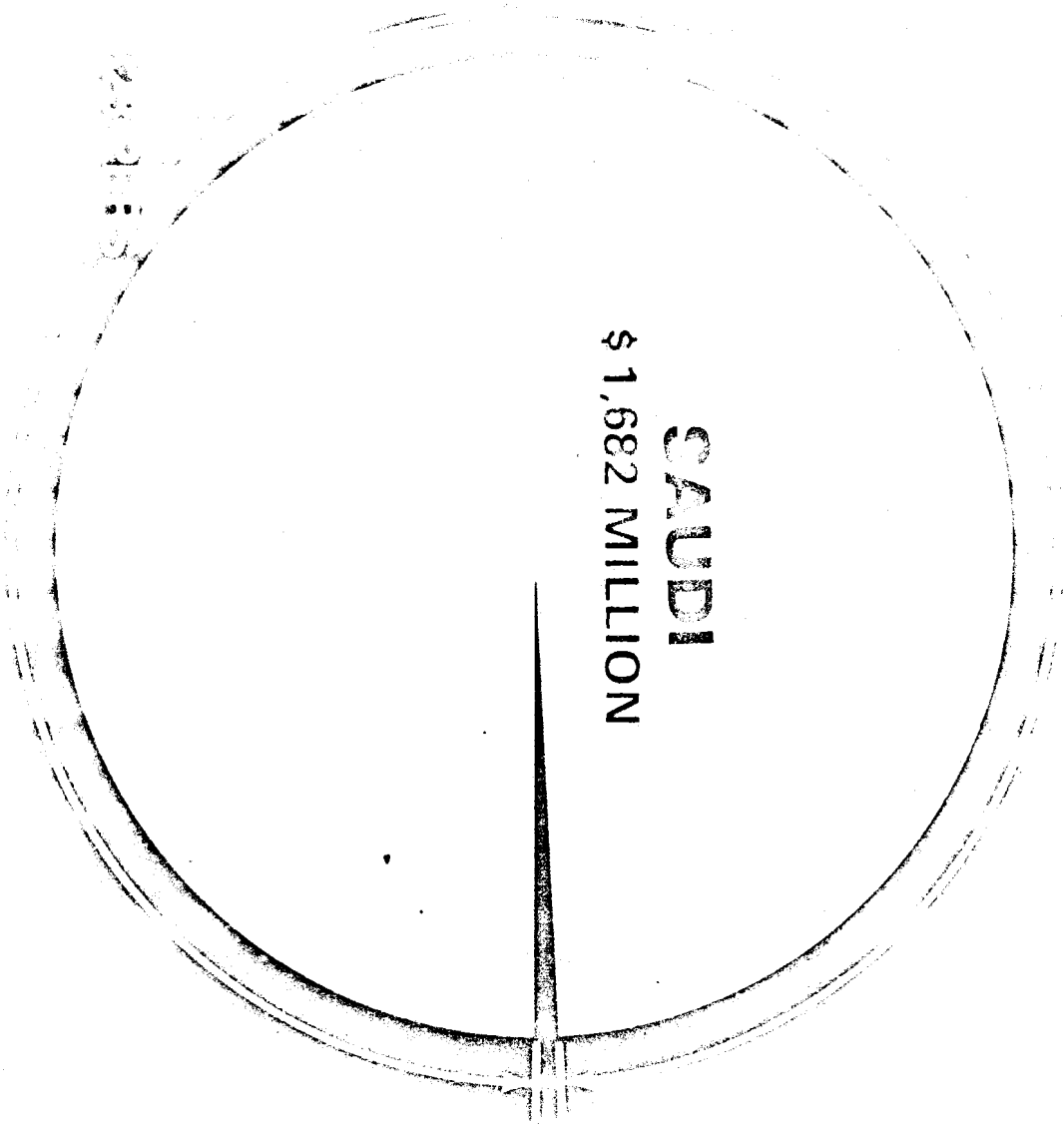
\$ paid in advance

Under DOD supervision

Program growth



# SECURITY ASSISTANCE PROGRAM FY 1977



**SAUDI**

**\$ 1,682 MILLION**

**JORDAN**

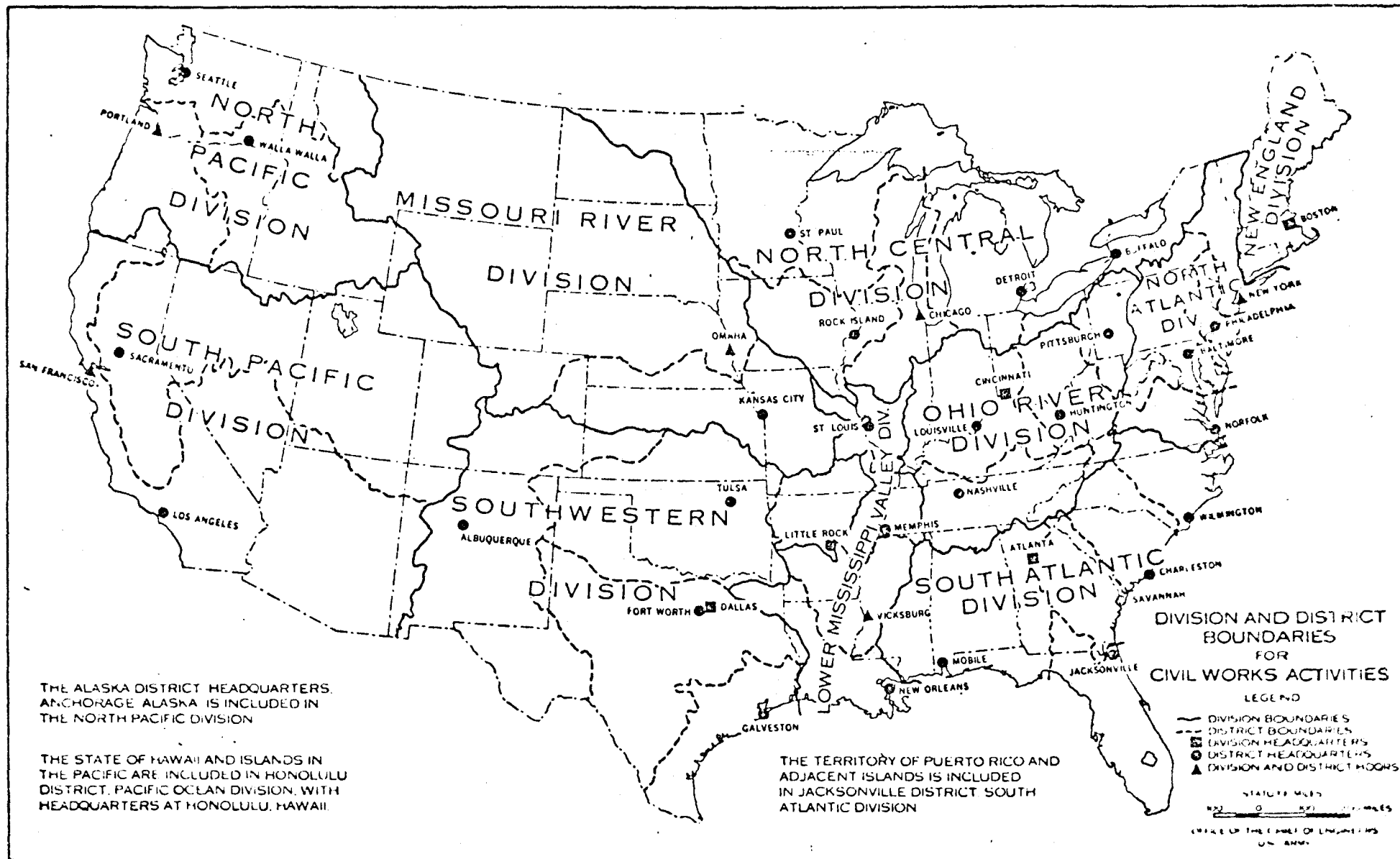
**81 MILLION**

**101.402.400**

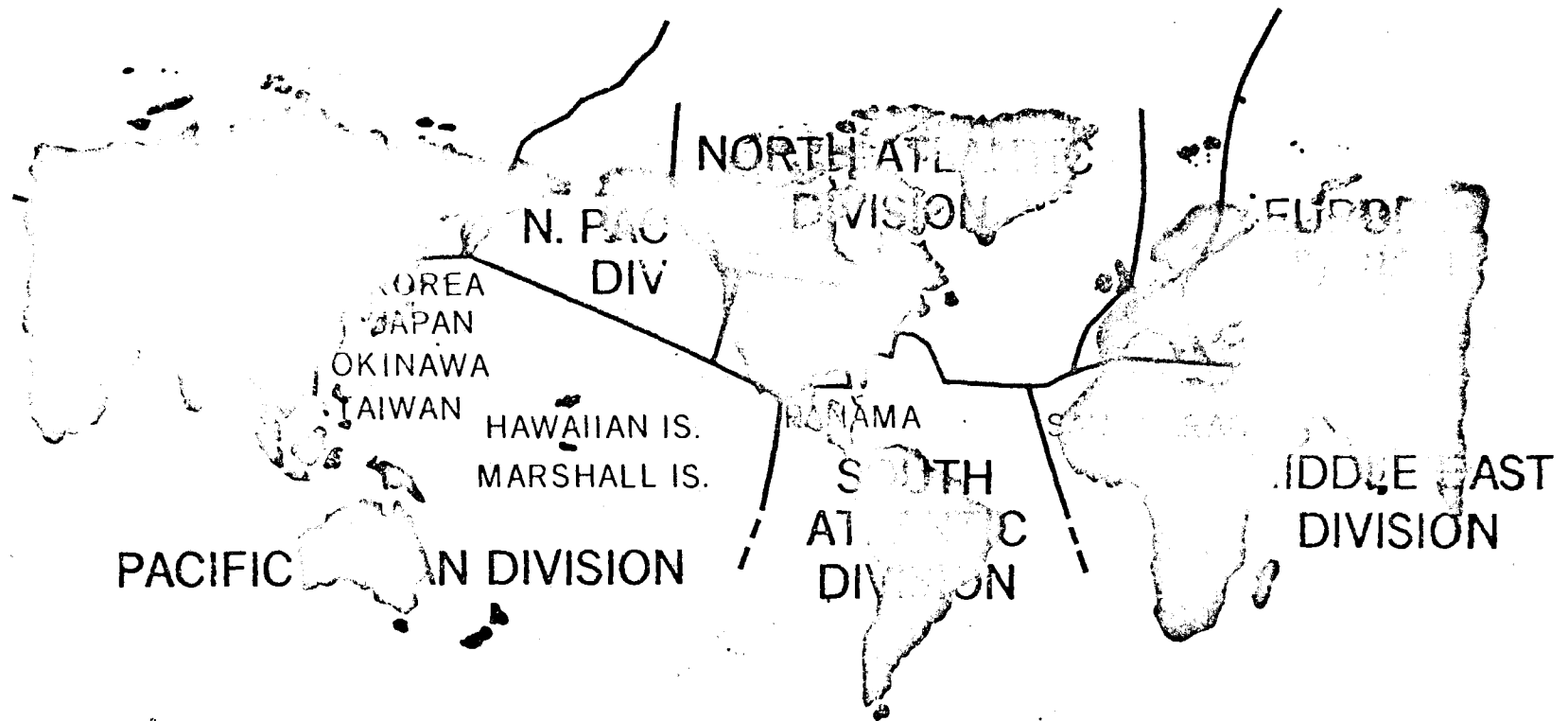
**81 MILLION**

**101.402.400**

# DIVISIONS AND DISTRICTS FOR CIVIL WORKS ACTIVITIES



# Military Construction Organization Overseas



## GENERAL SUMMARY

Country's most urgent problems continue to require engineered solutions: energy, transportation, water supply, environmental enhancement and improvement.

Nation's international relations are fostered by export of U. S. engineering and management skills.

Corps is a national asset -

- cannot be duplicated - military/civilian team
- has been and continues to be available to solve national problems requiring engineer, construction or resource management talent
- is responsive in emergencies
- is a potent mobilization asset
- provides outstanding training for military leaders as engineers and managers
- can be exported
- is apolitical

Corps can do more --- should be used by other agencies rather than creating new organizations.

"WHY NOT THE BEST"